



Reprinted
March 1, 2005

SENATE BILL No. 529

DIGEST OF SB 529 (Updated February 28, 2005 8:49 pm - DI 51)

Citations Affected: IC 4-21.5; IC 5-22; IC 6-1.1; IC 6-3.5; IC 12-7; IC 12-8; IC 12-13; IC 12-17; IC 12-18; IC 12-19; IC 12-24; IC 31-9; IC 31-16; IC 31-33; IC 31-34; IC 31-37; IC 31-39; IC 36-2; noncode.

Synopsis: Department of child services. Provides for review by the department of local government finance if a county does not levy the amount necessary to pay for child services or children's psychiatric residential treatment services. Extends the expiration of the office of the secretary of family and social services and its divisions to January 1, 2008. Establishes the department of child services and removes: (1) child protection service duties; (2) child support services under Title IV-D; (3) adoption services; (4) foster care services; (5) independent living services; (6) child services; (7) the regulation of residential child care establishments; (8) children in need of services; (9) children psychiatric residential treatment services; and (10) family services; to the department. Adds references to the state central collection unit concerning income withholding by employers for child support payments and allows the department of child services to assess a civil penalty of \$25 per obligor per pay period against certain income payors that do not make the payment through electronic funds transfer. Renames the division of family and children to the division of family resources and renames the division's bureaus. Authorizes the state to procure child services and other related services on behalf of a county. Establishes the select committee on the reorganization of child services and assigns committee duties. Repeals: (1) statutes that require county offices of family and children to establish a local child protection service; (2) the designation of the child support bureau as the state's designated Title IV-D agency; and (3) duplicate provisions related to certain reports.

Effective: Upon passage; July 1, 2005; July 1, 2006.

Lawson C

January 20, 2005, read first time and referred to Committee on Health and Provider Services.
February 10, 2005, amended, reported favorably — Do Pass; reassigned to Committee on Tax and Fiscal Policy.
February 24, 2005, amended, reported favorably — Do Pass.
February 28, 2005, read second time, amended, ordered engrossed.

SB 529—LS 7896/DI 104+



C
o
p
y

Reprinted
March 1, 2005

First Regular Session 114th General Assembly (2005)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2004 Regular Session of the General Assembly.

SENATE BILL No. 529

A BILL FOR AN ACT to amend the Indiana Code concerning human services.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 4-21.5-2-6 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 6. (a) This article does
3 not apply to the formulation, issuance, or administrative review (but
4 does, except as provided in subsection (b), apply to the judicial review
5 and civil enforcement) of any of the following:
6 (1) Except as provided in IC 12-17.2-4-18.7 and
7 IC 12-17.2-5-18.7, determinations by the division of family ~~and~~
8 ~~children~~ **resources and the department of child services**.
9 (2) Determinations by the alcohol and tobacco commission.
10 (3) Determinations by the office of Medicaid policy and planning
11 concerning recipients and applicants of Medicaid. However, this
12 article does apply to determinations by the office of Medicaid
13 policy and planning concerning providers.
14 (4) A final determination of the Indiana board of tax review.
15 (b) IC 4-21.5-5-12 and IC 4-21.5-5-14 do not apply to judicial
16 review of a final determination of the Indiana board of tax review.
17 SECTION 2. IC 5-22-4-9 IS ADDED TO THE INDIANA CODE

SB 529—LS 7896/DI 104+



C
o
p
y

1 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
2 1, 2005]: **Sec. 9. The department of child services is the purchasing**
3 **agency for services procured by the department under**
4 **IC 31-33-1.5-10.**

5 SECTION 3. IC 6-1.1-17-3 IS AMENDED TO READ AS
6 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) The proper
7 officers of a political subdivision shall formulate its estimated budget
8 and its proposed tax rate and tax levy on the form prescribed by the
9 department of local government finance and approved by the state
10 board of accounts. The political subdivision shall give notice by
11 publication to taxpayers of:

- 12 (1) the estimated budget;
- 13 (2) the estimated maximum permissible levy;
- 14 (3) the current and proposed tax levies of each fund; and
- 15 (4) the amounts of excessive levy appeals to be requested.

16 In the notice, the political subdivision shall also state the time and
17 place at which a public hearing will be held on these items. The notice
18 shall be published twice in accordance with IC 5-3-1 with the first
19 publication at least ten (10) days before the date fixed for the public
20 hearing.

21 (b) The board of directors of a solid waste management district
22 established under IC 13-21 or IC 13-9.5-2 (before its repeal) may
23 conduct the public hearing required under subsection (a):

- 24 (1) in any county of the solid waste management district; and
- 25 (2) in accordance with the annual notice of meetings published
26 under IC 13-21-5-2.

27 (c) The trustee of each township in the county shall estimate the
28 amount necessary to meet the cost of ~~poor relief~~ **township assistance**
29 in the township for the ensuing calendar year. The township board shall
30 adopt with the township budget a tax rate sufficient to meet the
31 estimated cost of ~~poor relief~~ **township assistance**. The taxes collected
32 as a result of the tax rate adopted under this subsection are credited to
33 the township ~~poor relief~~ **assistance** fund.

34 (d) **A county shall adopt with the county budget and the**
35 **department of local government finance shall certify under section**
36 **16 of this chapter a tax rate sufficient to raise the levy necessary to**
37 **pay the following:**

- 38 (1) **The cost of child services (as defined in IC 12-19-7-1) of**
39 **the county payable from the family and children's fund.**
- 40 (2) **The cost of children's psychiatric residential treatment**
41 **services (as defined in IC 12-19-7.5-1) of the county payable**
42 **from the children's psychiatric residential treatment services**

C
o
p
y



1 **fund.**

2 **A budget, tax rate, or tax levy adopted by a county fiscal body or**
 3 **approved or modified by a county board of tax adjustment that is**
 4 **less than the levy necessary to pay the costs described in**
 5 **subdivision (1) or (2) shall not be treated as a final budget, tax rate,**
 6 **or tax levy under section 11 of this chapter.**

7 SECTION 4. IC 6-1.1-17-14 IS AMENDED TO READ AS
 8 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 14. The county auditor
 9 shall initiate an appeal to the department of local government finance
 10 if the **county fiscal body or the county board of tax adjustment**
 11 **reduces:**

12 **(1) a ~~poor relief township assistance~~ tax rate below the rate**
 13 **necessary to meet the estimated cost of ~~poor relief township~~**
 14 **assistance;**

15 **(2) a family and children's fund tax rate below the rate**
 16 **necessary to collect the levy recommended by the department**
 17 **of child services; or**

18 **(3) a children's psychiatric residential treatment services fund**
 19 **tax rate below the rate necessary to collect the levy**
 20 **recommended by the department of child services.**

21 SECTION 5. IC 6-3.5-6-18.5 IS AMENDED TO READ AS
 22 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 18.5. (a) This section
 23 applies to a county containing a consolidated city.

24 (b) Notwithstanding section 18(e) of this chapter, the distributive
 25 shares that each civil taxing unit in a county containing a consolidated
 26 city is entitled to receive during a month equals the following:

27 (1) For the calendar year beginning January 1, 1995, calculate the
 28 total amount of revenues that are to be distributed as distributive
 29 shares during that month multiplied by the following factor:

30	Center Township	.0251
31	Decatur Township	.00217
32	Franklin Township	.0023
33	Lawrence Township	.01177
34	Perry Township	.01130
35	Pike Township	.01865
36	Warren Township	.01359
37	Washington Township	.01346
38	Wayne Township	.01307
39	Lawrence-City	.00858
40	Beech Grove	.00845
41	Southport	.00025
42	Speedway	.00722



C
o
p
y

- 1 Indianapolis/Marion County .86409
- 2 (2) Notwithstanding subdivision (1), for the calendar year
- 3 beginning January 1, 1995, the distributive shares for each civil
- 4 taxing unit in a county containing a consolidated city shall be not
- 5 less than the following:
- | | |
|------------------------|-------------|
| 6 Center Township | \$1,898,145 |
| 7 Decatur Township | \$164,103 |
| 8 Franklin Township | \$173,934 |
| 9 Lawrence Township | \$890,086 |
| 10 Perry Township | \$854,544 |
| 11 Pike Township | \$1,410,375 |
| 12 Warren Township | \$1,027,721 |
| 13 Washington Township | \$1,017,890 |
| 14 Wayne Township | \$988,397 |
| 15 Lawrence-City | \$648,848 |
| 16 Beech Grove | \$639,017 |
| 17 Southport | \$18,906 |
| 18 Speedway | \$546,000 |
- 19 (3) For each year after 1995, calculate the total amount of
- 20 revenues that are to be distributed as distributive shares during
- 21 that month as follows:
- 22 STEP ONE: Determine the total amount of revenues that were
- 23 distributed as distributive shares during that month in calendar
- 24 year 1995.
- 25 STEP TWO: Determine the total amount of revenue that the
- 26 department has certified as distributive shares for that month
- 27 under section 17 of this chapter for the calendar year.
- 28 STEP THREE: Subtract the STEP ONE result from the STEP
- 29 TWO result.
- 30 STEP FOUR: If the STEP THREE result is less than or equal
- 31 to zero (0), multiply the STEP TWO result by the ratio
- 32 established under subdivision (1).
- 33 STEP FIVE: Determine the ratio of:
- 34 (A) the maximum permissible property tax levy under
- 35 IC 6-1.1-18.5, ~~and IC 6-1.1-18.6~~ **IC 12-19-7, and**
- 36 **IC 12-19-7.5** for each civil taxing unit for the calendar year
- 37 in which the month falls, plus, for a county, an amount equal
- 38 to the property taxes imposed by the county in 1999 for the
- 39 county's welfare fund and welfare administration fund;
- 40 divided by
- 41 (B) the sum of the maximum permissible property tax levies
- 42 under IC 6-1.1-18.5, ~~and IC 6-1.1-18.6~~ **IC 12-19-7, and**

C
o
p
y



1 **IC 12-19-7.5** for all civil taxing units of the county during
 2 the calendar year in which the month falls, and an amount
 3 equal to the property taxes imposed by the county in 1999
 4 for the county's welfare fund and welfare administration
 5 fund.

6 STEP SIX: If the STEP THREE result is greater than zero (0),
 7 the STEP ONE amount shall be distributed by multiplying the
 8 STEP ONE amount by the ratio established under subdivision
 9 (1).

10 STEP SEVEN: For each taxing unit determine the STEP FIVE
 11 ratio multiplied by the STEP TWO amount.

12 STEP EIGHT: For each civil taxing unit determine the
 13 difference between the STEP SEVEN amount minus the
 14 product of the STEP ONE amount multiplied by the ratio
 15 established under subdivision (1). The STEP THREE excess
 16 shall be distributed as provided in STEP NINE only to the civil
 17 taxing units that have a STEP EIGHT difference greater than
 18 or equal to zero (0).

19 STEP NINE: For the civil taxing units qualifying for a
 20 distribution under STEP EIGHT, each civil taxing unit's share
 21 equals the STEP THREE excess multiplied by the ratio of:

22 (A) the maximum permissible property tax levy under
 23 IC 6-1.1-18.5, ~~and IC 6-1.1-18.6~~ **IC 12-19-7, and**
 24 **IC 12-19-7.5** for the qualifying civil taxing unit during the
 25 calendar year in which the month falls, plus, for a county, an
 26 amount equal to the property taxes imposed by the county in
 27 1999 for the county's welfare fund and welfare
 28 administration fund; divided by

29 (B) the sum of the maximum permissible property tax levies
 30 under IC 6-1.1-18.5, ~~and IC 6-1.1-18.6~~ **IC 12-19-7, and**
 31 **IC 12-19-7.5** for all qualifying civil taxing units of the
 32 county during the calendar year in which the month falls,
 33 and an amount equal to the property taxes imposed by the
 34 county in 1999 for the county's welfare fund and welfare
 35 administration fund.

36 SECTION 6. IC 12-7-2-57.5 IS AMENDED TO READ AS
 37 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 57.5. (a) "Department",
 38 for purposes of IC 12-13-14, has the meaning set forth in
 39 IC 12-13-14-1.

40 (b) "Department", for purposes of IC 12-19, refers to the
 41 department of child services.

42 ~~(b)~~ (c) "Department", for purposes of IC 12-20, refers to the

C
o
p
y



department of local government finance established by IC 6-1.1-30-1.1.

SECTION 7. IC 12-7-2-64 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 64. "Director" refers to the following:

(1) With respect to a particular division, the director of the division.

(2) With respect to a particular state institution, the director who has administrative control of and responsibility for the state institution.

(3) For purposes of IC 12-10-15, the term refers to the director of the division of ~~disabilities~~, **disability**, aging, and rehabilitative services.

(4) For purposes of IC 12-19-5, the term refers to the director of the department of child services established by IC 31-33-1.5.

~~(4)~~ (5) For purposes of IC 12-25, the term refers to the director of the division of mental health and addiction.

~~(5)~~ (6) For purposes of IC 12-26, the term:

(A) refers to the director who has administrative control of and responsibility for the appropriate state institution; and

(B) includes the director's designee.

~~(6)~~ (7) If subdivisions (1) through ~~(5)~~ (6) do not apply, the term refers to the director of any of the divisions.

SECTION 8. IC 12-7-2-69 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 69. (a) "Division", except as provided in subsections (b) and (c), refers to any of the following:

(1) The division of disability, aging, and rehabilitative services established by IC 12-9-1-1.

(2) The division of family ~~and children~~ **resources** established by IC 12-13-1-1.

(3) The division of mental health and addiction established by IC 12-21-1-1.

(b) The term refers to the following:

(1) For purposes of the following statutes, the division of disability, aging, and rehabilitative services established by IC 12-9-1-1:

(A) IC 12-9.

(B) IC 12-10.

(C) IC 12-11.

(D) IC 12-12.

(E) IC 12-12.5.

C
o
p
y



(2) For purposes of the following statutes, the division of family
and children resources established by IC 12-13-1-1:

(A) IC 12-13.

(B) IC 12-14.

(C) IC 12-15.

(D) IC 12-16.

~~(E) IC 12-17.~~

~~(F)~~ (E) IC 12-17.2.

~~(G)~~ ~~IC 12-17.4.~~

~~(H)~~ (F) IC 12-18.

~~(I)~~ (G) IC 12-19.

~~(J)~~ (H) IC 12-20.

(3) For purposes of the following statutes, the division of mental
health and addiction established by IC 12-21-1-1:

(A) IC 12-21.

(B) IC 12-22.

(C) IC 12-23.

(D) IC 12-25.

(c) With respect to a particular state institution, the term refers to
the division whose director has administrative control of and
responsibility for the state institution.

(d) For purposes of IC 12-24, IC 12-26, and IC 12-27, the term
refers to the division whose director has administrative control of and
responsibility for the appropriate state institution.

SECTION 9. IC 12-8-1-10 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. This chapter
expires January 1, ~~2006~~. **2008.**

SECTION 10. IC 12-8-2-12 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 12. This chapter
expires January 1, ~~2006~~. **2008.**

SECTION 11. IC 12-8-6-10 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. This chapter
expires January 1, ~~2006~~. **2008.**

SECTION 12. IC 12-8-8-8 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. This chapter expires
January 1, ~~2006~~. **2008.**

SECTION 13. IC 12-13-1-1 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. The division of
family and children resources is established.

SECTION 14. IC 12-13-6-1 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. The following
bureaus are established within the division:

C
o
p
y



- (1) A bureau of ~~family independence~~: **child development**.
- (2) A ~~family protection~~ bureau of **economic independence**.
- (3) A ~~youth development~~ bureau that includes a children's disabilities services unit.
- (4) A bureau of child care services.
- (5) A bureau of residential services.
- (6) A bureau of family resources.
- (7) A food stamp bureau.
- (8) A child support bureau.

SECTION 15. IC 12-17-12-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 12. The division may not approve a grant from the fund to an applicant unless the applicant agrees to adopt the following program enrollment priorities:

- (1) First priority must be given to children who are referred to a program by the ~~local~~ **department of child protection service agency services** under IC 31-33 (or IC 31-6-11 before its repeal). Within this priority, children in families with the lowest gross monthly income compared to other children in this priority level must be enrolled first.
- (2) Second priority must be given to children in kindergarten and grades 1 through 3 and the children's siblings if the children's families need school age child care services because of:
 - (A) enrollment of a child's legal custodian in vocational training under a degree program;
 - (B) employment of a child's legal custodian; or
 - (C) physical or mental incapacitation of a child's legal custodian.
- (3) Third priority must be given to children in grades 4 through 9 if the children's families need school age child care services because of:
 - (A) enrollment of a child's legal custodian in vocational training under a degree program;
 - (B) employment of a child's legal custodian; or
 - (C) physical or mental incapacitation of a child's legal custodian.

SECTION 16. IC 12-18-8-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. (a) A local domestic violence fatality review team consists of the following members:

- (1) A survivor of domestic violence.
- (2) A domestic violence direct service provider.
- (3) A representative of law enforcement from the area served by

C
o
p
y



the local domestic violence fatality review team.

(4) A prosecuting attorney or the prosecuting attorney's designee from the area served by the local domestic violence fatality review team.

(5) An expert in the field of forensic pathology, a coroner, or a deputy coroner.

(6) A medical practitioner with expertise in domestic violence.

(7) A judge who hears civil or criminal cases.

(8) An employee of ~~a~~ **the department of** child protective services. ~~agency.~~

(b) If a local domestic violence fatality review team is established in one (1) county, the legislative body that voted to establish the local domestic violence fatality review team under section 6 of this chapter shall:

(1) adopt an ordinance for the appointment and reappointment of members of the local domestic violence fatality review team; and

(2) appoint members to the local domestic violence fatality review team under the ordinance adopted.

(c) If a local domestic violence fatality review team is established in a region, the county legislative bodies that voted to establish the local domestic violence fatality review team under section 6 of this chapter shall:

(1) each adopt substantially similar ordinances for the appointment and reappointment of members of the local domestic violence fatality review team; and

(2) appoint members to the local domestic violence fatality review team under the ordinances adopted.

(d) A local domestic violence fatality review team may not have more than fifteen (15) members.

SECTION 17. IC 12-19-1-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. (a) Subject to the rules adopted by the director of the division, a county office shall administer the following:

(1) Assistance to dependent children in the homes of the dependent children.

(2) Assistance and services to elderly persons.

(3) Assistance to persons with disabilities.

(4) Care and treatment of the following persons:

~~(A) Children in need of services.~~

~~(B)~~ (A) Dependent children.

~~(C)~~ (B) Children with disabilities.

~~(5) Licensing of foster family homes for the placement of children~~

C
o
p
y



in need of services.

(6) Supervision of the care and treatment of children in need of services in foster family homes.

(7) Licensing of foster family homes for the placement of delinquent children.

(8) Supervision of the care and treatment of delinquent children in foster family homes.

(9) (5) Provision of family preservation services.

(10) (6) Any other welfare activities that are delegated to the county office by the division under this chapter, including services concerning assistance to the blind.

SECTION 18. IC 12-19-5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) In addition to the other method of welfare financing provided by this article, the ~~county~~ **director department** may appeal for the right to **conduct a public hearing to determine whether to recommend to a county to borrow money under this chapter** on a short term basis to fund:

(1) child services under IC 12-19-7-1;

(2) children's psychiatric residential treatment services under IC 12-19-7.5; or

(3) other welfare services in the county **payable from the family and children's fund or the children's psychiatric residential treatment services fund;**

if the ~~county~~ **director department** determines that the family and children's fund or the children's psychiatric residential treatment services fund will be exhausted before the end of a fiscal year.

(b) ~~In an appeal under this section;~~ **In the county director hearing, the department must present facts that** show the following:

(1) That the amount of money in the family and children's fund or the children's psychiatric residential treatment services fund will be insufficient to fund the appropriate services within the county under this article.

(2) The amount of money that the ~~county~~ **director department** estimates will be needed to fund that deficit.

(c) ~~The county director shall immediately transmit an appeal under this section to the director.~~

SECTION 19. IC 12-19-5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. ~~Upon receiving an appeal under section 1 of this chapter;~~ The ~~division~~ **department** shall as soon as possible do the following:

(1) Hold a public hearing to decide if the county should ~~be allowed to~~ borrow money.

C
o
p
y



(2) ~~Adopt~~ **Issue** a resolution at that meeting ~~recommending~~ supporting or rejecting the proposal to borrow money.

(3) ~~Transmit the resolution to the county director.~~

SECTION 20. IC 12-19-5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. ~~(a) Upon receiving a resolution under section 2 of this chapter, If the county director shall submit the appeal and the division's resolution~~ **department makes a recommendation after a hearing to borrow money, the department shall submit a certified copy of the recommendation** to the county fiscal body **and the county auditor.** Upon receiving the ~~appeal and the resolution;~~ **department's certified recommendation,** the:

(1) county fiscal body shall as soon as possible determine whether or not to loan the requested amount to the ~~county office;~~ **department; and**

~~(b)~~ (2) if the county fiscal body votes to allow a loan to be made, the county auditor on behalf of the county office shall borrow the money from a financial institution.

(c) If the county fiscal body determines that the county office should not be allowed to borrow money, the county fiscal body shall inform ~~the county director~~ **department** of the county fiscal body's decision.

SECTION 21. IC 12-19-5-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. The ~~division~~ **department** or a county fiscal body may not do the following:

(1) Recommend or approve a request to borrow money made under this chapter unless the body determines that the family and children's fund or the children's psychiatric residential treatment services fund will be exhausted before the particular fund can fund all county obligations incurred under this article.

(2) Recommend or approve a loan that will exceed the amount of the estimated deficit.

SECTION 22. IC 12-19-5-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. (a) If ~~a county director;~~ **money was borrowed under IC 12-1-11.5 (before its repeal) or the department:**

(1) appeals before August 1 of a year for permission to borrow money under this chapter;

(2) receives permission from the county fiscal body to borrow money before November 1 of the year; and

(3) borrows money under IC 12-1-11.5 (before its repeal) or this chapter;

the county auditor shall levy a property tax beginning in the following year and continuing for the term of the loan.

C
o
p
y



1 (b) The property tax levied under subsection (a) must be in an
 2 amount each year that will be sufficient to pay the principal and interest
 3 due on the loan for the year.

4 (c) The levy under this section shall be retained by the county
 5 treasurer and applied by the county auditor to retire the debt.

6 SECTION 23. IC 12-19-5-11 IS AMENDED TO READ AS
 7 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. (a) If ~~a county~~
 8 ~~director~~ **the department**:

9 (1) appeals after August 1 of a year for permission to borrow
 10 money;

11 (2) receives permission from the county fiscal body to borrow
 12 money; and

13 (3) borrows money in the year of the appeal under IC 12-1-11.5
 14 (before its repeal) or this chapter;

15 the county auditor shall levy a property tax beginning in the second
 16 year following the year of the appeal and continuing for the term of the
 17 loan.

18 (b) The property tax levied under subsection (a) must be in an
 19 amount each year that will be sufficient to pay the principal and interest
 20 due on the loan for the year.

21 (c) The levy under this section shall be retained by the county
 22 treasurer and applied by the county auditor to retire the debt.

23 SECTION 24. IC 12-19-6-5 IS AMENDED TO READ AS
 24 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) As used in this
 25 section, "indirect cost" means a cost that is not directly traceable to a
 26 particular activity undertaken in the administration of the following:

27 (1) The federal Food Stamp program (7 U.S.C. 2011 et seq.).

28 (2) The federal Aid to Families with Dependent Children program
 29 (42 U.S.C. 601 et seq.).

30 (3) The federal Child Support Enforcement Act (42 U.S.C. 651 et
 31 seq.).

32 (b) The division **and the department** shall pay to each county the
 33 money paid to the state as reimbursement for the indirect costs incurred
 34 by the county and the county office.

35 SECTION 25. IC 12-19-7-1.5 IS AMENDED TO READ AS
 36 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1.5. (a) The division of
 37 family and children may transfer any of the following to a county
 38 family and children's fund:

39 (1) Money transferred under P.L.273-1999, SECTION 126, to the
 40 division from a county welfare fund on or after July 1, 2000,
 41 without regard to the county from which the money was
 42 transferred.

C
o
p
y



(2) Money appropriated to the division **or department** for any of the following:

(A) Assistance awarded by a county to a destitute child under IC 12-17-1.

(B) Child welfare services as described in IC 12-17-3.

(C) Any other services for which the expenses were paid from a county welfare fund before January 1, 2000.

(b) Money transferred under subsection (a)(1) or (a)(2) must be used for purposes described in subsection (a)(2).

SECTION 26. IC 12-19-7-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) A family and children's fund is established in each county. The fund shall be raised by a separate tax levy (the county family and children property tax levy) that:

(1) is in addition to all other tax levies authorized; and

(2) shall be levied annually by the county fiscal body on all taxable property in the county in the amount necessary to raise the part of the fund that the county must raise to pay the items, awards, claims, allowances, assistance, and other expenses set forth in the annual budget under section 6 of this chapter.

(b) The tax imposed under this section shall be collected as other state and county ad valorem taxes are collected.

(c) The following shall be paid into the county treasury and constitute the family and children's fund:

(1) All receipts from the tax imposed under this section.

(2) All grants-in-aid, whether received from the federal government or state government.

(3) Any other money required by law to be placed in the fund.

(d) The fund is available for the purpose of paying expenses and obligations set forth in the annual budget that is submitted and approved.

(e) Money in the fund at the end of a budget year does not revert to the county general fund.

SECTION 27. IC 12-19-7-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) For taxes first due and payable in each year after ~~2003~~, **2005**, each county shall impose a county family and children property tax levy equal to the ~~product of:~~

~~(1) the county family and children property tax levy imposed for taxes first due and payable in the preceding year; as that levy was determined by the department of local government finance in fixing the civil taxing unit's budget, levy, and rate for that~~

C
o
p
y



preceding calendar year under IC 6-1.1-17 and after eliminating the effects of temporary excessive levy appeals and any other temporary adjustments made to the levy for the calendar year; multiplied by

(2) the greater of:

(A) the county's assessed value growth quotient for the ensuing calendar year, as determined under IC 6-1.1-18.5-2; or

(B) one (1).

When a year in which a statewide general reassessment of real property first becomes effective is the year preceding the year that the property tax levy under this subsection will be first due and payable; the amount to be used in subdivision (2) equals the average of the amounts used in determining the two (2) most recent adjustments in the county's levy under this section. If the amount levied in a particular year exceeds the amount necessary to cover the costs payable from the fund; the levy in the following year shall be reduced by the amount of surplus money: **necessary to pay the costs of the child services of the county for the next fiscal year.**

(b) The department of local government finance shall review each county's property tax levy under this section and shall enforce the requirements of this section with respect to that levy **and comply with IC 6-1.1-17-3.**

SECTION 28. IC 12-19-7-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) The ~~county director~~, **department**, upon the advice of the judges of the courts with juvenile jurisdiction in the county **and after consulting with the division of family resources**, shall annually compile and adopt a child services budget, which must be in a form prescribed by the state board of accounts. ~~The budget may not exceed the levy limitation set forth in IC 6-1.1-18.6.~~

(b) The budget must contain an estimate of the amount of money that will be needed by the ~~county office~~ **department** during the ~~fiscal~~ **ensuing** year to defray the expenses and obligations incurred by the ~~county office~~ **department** in the payment of services for children adjudicated to be children in need of services or delinquent children and other related services, but not including the payment of AFDC.

SECTION 29. IC 12-19-7-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) The ~~county director~~ **department** shall, with the assistance of the judges of courts with juvenile jurisdiction in the county, **after consulting with the division of family resources**, and at the same time the budget is compiled and adopted, ~~recommend to the division~~ **compute** the tax

C
o
p
y



levy that the ~~director department~~ and judges determine will be required to raise the amount of revenue necessary to pay the expenses and obligations of the ~~county office department~~ set forth in the budget under section 6 of this chapter. ~~However, the tax levy may not exceed the maximum permissible levy set forth in IC 6-1.1-18.6 and the budget may not exceed the levy limitation set forth in IC 6-1.1-18.~~

(b) After the county budget has been compiled, the county director shall submit a copy of the budget and the tax levy recommended by the county director and the judges of courts with juvenile jurisdiction in the county to the division. The division shall examine the budget and the tax levy for the purpose of determining whether, in the judgment of the division:

- (1) the appropriations requested in the budget will be adequate to defray the expenses and obligations incurred by the county office in the payment of child services for the next fiscal year; and
- (2) the tax levy recommended will yield the amount of the appropriation set forth in the budget.

SECTION 30. IC 12-19-7-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. The budget ~~finally approved~~ and the tax levy recommended by the ~~division department~~ shall be:

- (1) certified to the county ~~office~~; **auditor**; and
- (2) filed for consideration by the county fiscal body; **and**
- (3) filed with the department of local government finance.**

SECTION 31. IC 12-19-7-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. In September of each year, at the time provided by law, the county fiscal body shall do the following:

- (1) Make the appropriations out of the family and children's fund that are:
 - (A) based on the budget as submitted; and
 - (B) necessary to ~~maintain pay~~ the child services of the county for the next fiscal year. ~~subject to the maximum levy set forth in IC 6-1.1-18.6.~~

- (2) Levy a tax in an amount necessary to produce the appropriated money.

SECTION 32. IC 12-19-7-11.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11.1. (a) The judges of the courts with juvenile jurisdiction in the county and the ~~county director department~~ shall meet with the county fiscal body at a public meeting:

- (1) in April; and

C
o
p
y



(2) after June 30 and before October 1;
in each year.

(b) At a meeting required in subsection (a), the ~~county director~~
department shall present to the county fiscal body and the judges the
following reports:

(1) Expenditures made:

(A) during the immediately preceding calendar quarter from
the family and children's fund in comparison to one-fourth
(1/4) of the budget and appropriations approved by the county
fiscal body for the calendar year; and

(B) from the fund in the corresponding calendar quarter of
each of the two (2) preceding calendar years.

(2) Obligations incurred through the end of the immediately
preceding calendar quarter that will be payable from the family
and children's fund during the remainder of the calendar year or
in any subsequent calendar year.

(3) The number of children, by category, for whom the family and
children's fund was required to provide funds for services during
the immediately preceding calendar quarter, in comparison to the
corresponding calendar quarter of each of the two (2) preceding
calendar years.

(4) The number and type of out-of-home placements, by category,
for which the family and children's fund was required to provide
funds for foster home care or institutional placement, and the
average daily, weekly, or monthly cost of out of home placement
care and services by category, during the immediately preceding
calendar quarter, in comparison to the corresponding calendar
quarter of each of the two (2) preceding calendar years.

(5) The number of children, by category, for whom the family and
children's fund was required to provide funds for services for
children residing with the child's parent, guardian, or custodian
(other than foster home or institutional placement), and the
average monthly cost of those services, during the immediately
preceding calendar quarter, in comparison to the corresponding
calendar quarter for each of the two (2) preceding calendar years.

(c) In preparing the reports described in subsection (b), the ~~county~~
~~director~~ **department** may use the best information reasonably available
from the records of the ~~county office~~ **department** and the county
family and children's fund. ~~for calendar years before 1998.~~

(d) At each meeting described in subsection (a), the county fiscal
body, judges, and ~~county director~~ **department** may:

(1) discuss and suggest procedures to provide child welfare

C
o
p
y



services in the most effective and cost-efficient manner; and
 (2) consider actions needed, including revision of budgeting procedures, to eliminate or minimize any anticipated need for short term borrowing for the family and children's fund under any provisions of this chapter or IC 12-19-5.

SECTION 33. IC 12-19-7-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 15. (a) If at any time the ~~county director department~~ determines that the family and children's fund is exhausted or will be exhausted before the close of a fiscal year, the ~~county director department~~ shall prepare an estimate and statement showing the amount of money, in addition to the money already made available, that will be necessary to defray the expenses of the ~~county office department~~ and pay the obligations of the ~~county office, department,~~ excluding administrative expenses and facilities, supplies, and equipment expenses for the ~~county office, department,~~ in the administration of the ~~county office's department's~~ activities for the unexpired part of the fiscal year.

(b) The ~~county director department~~ shall do the following:

- (1) Certify the estimate and statement to the county executive.
- (2) File the estimate and statement with the county auditor.

(3) File the estimate and statement with the department of local government finance.

SECTION 34. IC 12-19-7-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 16. (a) The county executive shall consider and act upon an estimate and statement under section 15 of this chapter at:

- (1) the county executive's regular session immediately following the filing of the estimate and statement; or
- (2) a special session that is:
 - (A) called for the purpose of considering and acting upon the estimate and statement; and
 - (B) called before the executive's regular session described in subdivision (1).

(b) The county executive shall, for and on behalf of the county, borrow sufficient money to carry out the purposes described in section 15 of this chapter if after consideration of the estimate and statement the county executive finds the following:

- (1) That the ~~county director department~~ has not ~~appealed~~ **certified a recommendation** to borrow money under IC 12-19-5. ~~or that the appeal has been denied.~~
- (2) That the amount of money required, in addition to any money already available, to defray the expenses and pay the obligations

C
o
p
y



of the ~~county office~~ **department** in the administration of the county's child services for the unexpired part of the fiscal year, is greater than the amount of money that may be advanced from the general fund of the county.

(c) If the county executive fails to borrow sufficient money to carry out the purposes under section 15 of this chapter either under this chapter or IC 12-19-5, the department may appeal to the department of local government finance for a determination. A copy of the appeal must be filed with the county fiscal body. The department of local government finance shall immediately conduct a hearing in the county on an appeal filed under this subsection. If the department determines that insufficient money is available to carry out the purposes under section 15 of this chapter, the department of local government finance shall issue an appropriate order. The order may require the county to reduce its general fund budget and transfer sufficient money to the fund or require the county to borrow money for the fund to carry out the purposes under section 15 of this chapter.

SECTION 35. IC 12-19-7-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 17. (a) Before making a loan under section 16 of this chapter, the county executive shall record a finding that the amount of money that will be required is greater than the amount of money that may be advanced from the general fund of the county. The finding must:

- (1) set forth the estimated requirements of the ~~county office;~~ **department;** and
- (2) direct the county auditor to call the county fiscal body into special session for the purpose of considering the making of the loan.

(b) In the notice of the special session of the county fiscal body, the auditor shall include a statement of the estimated amount of the proposed loan.

SECTION 36. IC 12-19-7-19 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 19. An ordinance adopted by the county fiscal body authorizing a loan under this chapter must do the following:

- (1) Authorize the issuance of the bonds of the county to evidence the loan.
- (2) Fix the following:
 - (A) The loan's maximum amount, which may be less than the amount shown by the estimate of the ~~county director;~~ **department.**

C
o
p
y



(B) The number of semiannual series in which the bonds are payable, which may not exceed twenty (20).

SECTION 37. IC 12-19-7.5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. As used in this chapter, "private psychiatric residential treatment facility" means a privately owned and operated facility that:

(1) provides inpatient treatment to individuals less than twenty-one (21) years of age for mental health conditions;

(2) is licensed or certified by:

(A) the ~~division of family and children~~; **department**; or

(B) the division of mental health and addiction;

to provide children's psychiatric residential treatment services; and

(3) is enrolled in the state Medicaid program as a provider eligible to provide children's psychiatric residential treatment services.

SECTION 38. IC 12-19-7.5-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) A children's psychiatric residential treatment services fund is established in each county. The fund shall be raised by a separate tax levy (the county children's psychiatric residential treatment services property tax levy) that:

(1) is in addition to all other tax levies authorized; and

(2) shall be levied annually by the county fiscal body on all taxable property in the county in the amount necessary to raise the part of the fund that the county must raise to pay the items, awards, claims, allowances, assistance, and other expenses set forth in the annual budget under section 8 of this chapter.

(b) The tax imposed under this section shall be collected as other state and county ad valorem taxes are collected.

(c) The following shall be paid into the county treasury and constitute the children's psychiatric residential treatment services fund:

(1) All receipts from the tax imposed under this section.

(2) All grants-in-aid, whether received from the federal government or state government.

(3) Any other money required by law to be placed in the fund.

(d) The fund is available for the purpose of paying expenses and obligations set forth in the annual budget that is submitted and approved.

(e) Money in the fund at the end of a budget year does not revert to the county general fund.

SECTION 39. IC 12-19-7.5-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) ~~For taxes first~~

C
o
p
y



1 due and payable in 2004; each county must impose a county children's
2 psychiatric residential services property tax levy equal to the amount
3 determined using the following formula:

4 STEP ONE: Determine the sum of the amounts that were paid by
5 the county minus the amounts reimbursed by the state (including
6 reimbursements made with federal money); as determined by the
7 state board of accounts in 2000; 2001; and 2002 for payments to
8 facilities licensed under 470 IAC 3-13 for services that were made
9 on behalf of the children and for which payment was made from
10 the county family and children fund; or five percent (5%) of the
11 average family and children budget; as determined by the
12 department of local government finance in 2000; 2001; and 2002;
13 whichever is greater.

14 STEP TWO: Subtract from the amount determined in STEP ONE
15 the sum of the miscellaneous taxes that were allocated to the
16 county family and children fund and used to pay the costs for
17 providing services in facilities licensed under 470 IAC 3-13 in
18 2000; 2001; and 2002.

19 STEP THREE: Divide the amount determined in STEP TWO by
20 three (3).

21 STEP FOUR: Calculate the STEP ONE amount and the STEP
22 TWO amount for 2002 expenses only.

23 STEP FIVE: Adjust the amounts determined in STEP THREE and
24 STEP FOUR by the amount determined by the department of
25 local government finance under subsection (c).

26 STEP SIX: Determine whether the amount calculated in STEP
27 THREE, as adjusted in STEP FIVE, or the amount calculated in
28 STEP FOUR, as adjusted in STEP FIVE, is greater. Multiply the
29 greater amount by the assessed value growth quotient determined
30 under IC 6-1.1-18.5-2 for the county for property taxes first due
31 and payable in 2003.

32 STEP SEVEN: Multiply the amount determined in STEP SIX by
33 the county's assessed value growth quotient for property taxes first
34 due and payable in 2004; as determined under IC 6-1.1-18.5-2.

35 (b) For taxes first due and payable in each year after 2004; **2005**,
36 each county shall impose a county children's psychiatric residential
37 treatment services property tax levy equal to the ~~product of~~:

38 ~~(1) the county children's psychiatric residential treatment services~~
39 ~~property tax levy imposed for taxes first due and payable in the~~
40 ~~preceding year; as that levy was determined by the department of~~
41 ~~local government finance in fixing the civil taxing unit's budget;~~
42 ~~levy; and rate for that preceding calendar year under IC 6-1.1-17~~

C
o
p
y



and after eliminating the effects of temporary excessive levy appeals and any other temporary adjustments made to the levy for the calendar year; multiplied by

(2) the greater of:

(A) the county's assessed value growth quotient for the ensuing calendar year; as determined under IC 6-1.1-18.5-2; or

(B) one (1).

When a year in which a statewide general reassessment of real property first becomes effective is the year preceding the year that the property tax levy under this subsection will be first due and payable; the amount to be used in subdivision (2) equals the average of the amounts used in determining the two (2) most recent adjustments in the county's levy under this section. If the amount levied in a particular year exceeds the amount necessary to cover the costs payable from the fund; the levy in the following year shall be reduced by the amount of surplus money.

(c) For taxes first due and payable in 2004; the department of local government finance shall adjust the levy for each county to reflect the county's actual expenses incurred in providing services to children in facilities licensed under 470 IAC 3-13 in 2000; 2001; and 2002. In making this adjustment; the department of local government finance may consider all relevant information; including the county's use of bond and loan proceeds to pay these expenses. **necessary to pay the costs of children's psychiatric residential treatment services of the county for the next fiscal year.**

~~(d)~~ (b) The department of local government finance shall review each county's property tax levy under this section and shall enforce the requirements of this section with respect to that levy.

SECTION 40. IC 12-19-7.5-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) For purposes of this section, "expenses and obligations incurred by the ~~county office~~ **department**" include all anticipated costs of children's residential psychiatric services that are equal to the state share of the cost of those services that are reimbursable under the state Medicaid plan.

(b) The ~~county director~~; **department**, upon the advice of the judges of the courts with juvenile jurisdiction in the county **and after consulting with the division of family resources**, shall annually compile and adopt a children's psychiatric residential treatment services budget, which must be in a form prescribed by the state board of accounts. ~~The budget may not exceed the levy limitation set forth in IC 6-1.1-18.6.~~

(c) The budget must contain an estimate of the amount of money that will be needed by the ~~county office~~ **department** during the fiscal

C
o
p
y



year to defray the expenses and obligations incurred by the ~~county office department~~ in the payment of children's psychiatric residential treatment services for children who are residents of the county.

SECTION 41. IC 12-19-7.5-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. ~~(a)~~ The ~~county director~~ **department** shall, with the assistance of the judges of courts with juvenile jurisdiction in the county, **after consulting with the division of family resources**, and at the same time the budget is compiled and adopted, ~~recommend to the division~~ **compute** the tax levy that the director and judges determine will be required to raise the amount of revenue necessary to pay the expenses and obligations of the county office set forth in the budget under section 8 of this chapter. However, the tax levy may not exceed the maximum permissible levy set forth in IC 6-1.1-18.6; and the budget may not exceed the levy limitation set forth in IC 6-1.1-18.

(b) After the county budget has been compiled, the county director shall submit a copy of the budget and the tax levy recommended by the county director and the judges of courts with juvenile jurisdiction in the county to the division. The division shall examine the budget and the tax levy for the purpose of determining whether, in the judgment of the division:

(1) the appropriations requested in the budget will be adequate to defray the expenses and obligations incurred by the county office in the payment of children's psychiatric residential treatment services for the next fiscal year; and

(2) the tax levy recommended will yield the amount of the appropriation set forth in the budget.

SECTION 42. IC 12-19-7.5-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. The budget **and tax levy finally approved and the tax levy** recommended by the ~~division department~~ shall be:

(1) certified to the county ~~office~~; **auditor**; and

(2) filed ~~for consideration by~~ **with** the county fiscal body; and

(3) **filed with the department of local government finance.**

SECTION 43. IC 12-19-7.5-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 13. In September of each year, at the time provided by law, the county fiscal body shall do the following:

(1) Make the appropriations out of the children's psychiatric residential treatment services fund that are:

(A) based on the budget as submitted; and

(B) necessary to ~~maintain~~ **pay** the children's psychiatric

C
o
p
y



1 residential treatment services of the county for the next fiscal
 2 year. ~~subject to the maximum levy set forth in IC 6-1.1-18.6.~~

3 (2) Levy a tax in an amount necessary to produce the appropriated
 4 money.

5 SECTION 44. IC 12-19-7.5-14 IS AMENDED TO READ AS
 6 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 14. (a) If at any time
 7 the ~~county director~~ **department** determines that the children's
 8 psychiatric residential treatment services fund is exhausted or will be
 9 exhausted before the close of a fiscal year, the ~~county director~~
 10 **department** shall prepare an estimate and statement showing the
 11 amount of money, in addition to the money already made available, that
 12 will be necessary to defray the expenses of the county office and pay
 13 the obligations of the ~~county office,~~ **department**, excluding
 14 administrative expenses and facilities, supplies, and equipment
 15 expenses for the ~~county office,~~ **department**, in the administration of
 16 the ~~county office's~~ **department's** activities for the unexpired part of the
 17 fiscal year.

18 (b) The ~~county director~~ **department** shall do the following:

19 (1) Certify the estimate and statement to the county executive.

20 (2) File the estimate and statement with the county auditor.

21 **(3) File the estimate and statement with the department of**
 22 **local government finance.**

23 SECTION 45. IC 12-19-7.5-15 IS AMENDED TO READ AS
 24 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 15. (a) The county
 25 executive shall consider and act upon an estimate and statement under
 26 section 14 of this chapter at:

27 (1) the county executive's regular session immediately following
 28 the filing of the estimate and statement; or

29 (2) a special session that is:

30 (A) called for the purpose of considering and acting upon the
 31 estimate and statement; and

32 (B) called before the executive's regular session described in
 33 subdivision (1).

34 (b) The county executive shall, for and on behalf of the county,
 35 borrow sufficient money to carry out the purposes described in section
 36 14 of this chapter if after consideration of the estimate and statement
 37 the county executive finds the following:

38 (1) That the ~~county director~~ **department** has not ~~appealed~~
 39 **certified a recommendation** to borrow money under IC 12-19-5.
 40 ~~or that the appeal has been denied.~~

41 (2) That the amount of money required, in addition to any money
 42 already available, to defray the expenses and pay the obligations

C
o
p
y



of the county office in the administration of the county's children's psychiatric residential treatment services for the unexpired part of the fiscal year is greater than the amount of money that may be advanced from the general fund of the county.

(c) If the county executive fails to borrow sufficient money to carry out the purposes under section 14 of this chapter either under this chapter or IC 12-19-5, the department may appeal to the department of local government finance for a determination. A copy of the appeal must be filed with the county fiscal body. The department of local government finance shall immediately conduct a hearing in the county on an appeal filed under this subsection. If the department determines that insufficient money is available to carry out the purposes under section 14 of this chapter, the department of local government finance shall issue an appropriate order. The order may require the county to reduce its general fund budget and transfer sufficient money to the fund or require the county to borrow money for the fund to carry out the purposes under section 14 of this chapter.

SECTION 46. IC 12-19-7.5-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 18. An ordinance adopted by the county fiscal body authorizing a loan under this chapter must do the following:

(1) Authorize the issuance of the bonds of the county to evidence the loan.

(2) Fix the following:

(A) The loan's maximum amount, which may **not** be less than the amount shown by the estimate of the ~~county director~~ **department**.

(B) The number of semiannual series in which the bonds are payable, which may not exceed twenty (20).

SECTION 47. IC 12-19-7.5-33 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 33. (a) A county auditor shall annually, not before January 1 and not later than March 31, determine the amount of any excess funds available in the county children's psychiatric treatment services fund based on the following formula:

STEP ONE: Determine the ending cash balance in the fund ~~in~~ **for** the preceding fiscal year.

STEP TWO: Calculate one-half (**1/2**) of the actual cost of providing children's psychiatric treatment services **for the preceding fiscal year**.

STEP THREE: Subtract the amount determined in STEP TWO

C
o
p
y



from the amount determined in STEP ONE.

(b) The county auditor shall transfer the amount determined in subsection (a) STEP THREE, if any, from the county children's psychiatric treatment services fund to the county general fund to be used to pay for the part of the care and maintenance of the inmates of the Plainfield juvenile correctional facility and the Indianapolis juvenile correctional facility that is charged back to the counties.

(b) If the county has a debt for juvenile per diem under IC 11-10-2-3, as determined by the budget agency, the lesser of the amount determined in subsection (a) STEP THREE, or the actual debt shall be paid to the state within forty-five (45) days. If the county does not have juvenile debt, the funds remain in the children's psychiatric treatment services fund. Funds remaining in the children's psychiatric treatment services fund will be considered excess and used to reduce the succeeding year's levy.

SECTION 48. IC 12-24-17-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) A superintendent who receives a written report of an alleged violation of section 3 of this chapter shall begin an investigation within twenty-four (24) hours after receipt of the written report.

(b) In accordance with IC 31-33, the superintendent shall report the alleged violation of section 3 of this chapter to either of the following:

(1) The ~~local~~ **department of child protection service** established within the county office services if the alleged victim is less than eighteen (18) years of age.

(2) The adult protective services unit designated under IC 12-10-3 if the alleged victim is at least eighteen (18) years of age.

SECTION 49. IC 31-9-2-38.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: **Sec. 38.5. "Department", for purposes of IC 31-19, IC 31-33, IC 31-34, and IC 31-40, has the meaning set forth in IC 31-33-1.5-1.**

SECTION 50. IC 31-9-2-40 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 40. "Director", for purposes of IC 31-33, IC 31-34, and IC 31-37, refers to the director of the ~~division of family and children~~ **department of child services**.

SECTION 51. IC 31-9-2-130 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 130. "Title IV-D agency" means:

(1) ~~the child support bureau created within the division of family and children as the single state agency to administer the child support provisions of Title IV-D of the federal Social Security Act~~

C
o
p
y



(42 U.S.C. 651 through 669);

(1) **the department of child services**; or

(2) a designated agent of the ~~bureau~~ **department** described in subdivision (1).

SECTION 52. IC 31-16-15-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) In a proceeding under IC 31-14 or IC 31-16-2 through IC 31-16-12 to establish, modify, or enforce a child support order, the court shall:

(1) enter an order for immediate income withholding; and

(2) modify any previously issued income withholding order that has not been activated under this chapter to provide for immediate income withholding.

(b) The court shall issue the income withholding order to the income payor not later than fifteen (15) calendar days after the court's determination.

(c) The income withholding order must order income payors to send to the ~~clerk of the court~~ **state central collection unit** or other person specified in the support order under:

(1) IC 31-14-11-11;

(2) IC 31-16-4; or

(3) IC 31-16-9;

the amount of income established by the court for child support at the time the order for child support is established, enforced, or modified.

(d) However, the court shall issue an income withholding order that will not become activated except upon the occurrence of the two (2) conditions described in section 2 of this chapter if:

(1) the parties submit a written agreement providing for an alternative child support arrangement; or

(2) the court determines that good cause exists not to require immediate income withholding.

(e) A finding of good cause under subsection (d)(2) must:

(1) be written; and

(2) include:

(A) all reasons why immediate income withholding is not in the best interests of the child; and

(B) if the case involves a modification of support, a statement that past support has been timely paid.

(f) The income withholding order must contain a statement that if the withholding order is activated, income payors will be ordered to send to the ~~clerk of the court~~ **state central collection unit** or other person specified in the support order under:

(1) IC 31-14-11-11;

C
O
P
Y



1 (2) IC 31-16-4; or
 2 (3) IC 31-16-9;
 3 the amount of income established by the court for child support.

4 SECTION 53. IC 31-16-15-4 IS AMENDED TO READ AS
 5 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) This section
 6 applies to the implementation of income withholding under an order
 7 issued under sections 1 and 3 of this chapter.

8 (b) If the Title IV-D agency or the court becomes aware that the
 9 obligor has an income payor to whom a notice has not been sent under
 10 subsection (c) or an income payor to whom notice of delinquent
 11 support has not been sent under subsection (c):

12 (1) the Title IV-D agency in a case arising under Title IV-D of the
 13 federal Social Security Act (42 U.S.C. 651 through 669); or

14 (2) the court;

15 shall not later than fifteen (15) calendar days after becoming aware of
 16 an income payor send a written notice to the income payor that the
 17 withholding is binding on the income payor.

18 (c) The notice to an income payor under this section must contain
 19 a statement of the following:

20 (1) That the income payor is required to withhold a certain
 21 amount of income from the obligor.

22 (2) That the total amount to be withheld under court order by the
 23 obligor's income payor from the obligor's income is the sum of:

24 (A) the obligor's current child support obligation;

25 (B) an amount to be applied toward the liquidation of any
 26 arrearages; and

27 (C) an optional fee of two dollars (\$2), which is payable to and
 28 imposed at the option of the income payor, each time the
 29 income payor forwards income to the ~~clerk of the court state~~
 30 **central collection unit** or other person specified in the notice;
 31 up to the maximum amount permitted under 15 U.S.C. 1673(b).

32 (3) That the income payor shall:

33 (A) forward the withheld income described in subdivision

34 (2)(A) and (2)(B) to the ~~clerk of the court state~~ **central**
 35 **collection unit** or other person named in the notice at the same
 36 time that the obligor is paid; and

37 (B) include a statement identifying:

38 (i) each cause number;

39 (ii) the name of each obligor; and

40 (iii) the name of each payee with the withheld income
 41 forwarded by the income payor.

42 (4) That withholding is binding upon the income payor until

C
o
p
y



1 further notice from a Title IV-D agency.

2 (5) That the obligor may recover from the income payor in a civil
3 action an amount not less than one hundred dollars (\$100) if the
4 income payor:

5 (A) discharges the obligor from employment;

6 (B) refuses the obligor employment; or

7 (C) disciplines the obligor;

8 solely because the income payor is required to forward income
9 under this chapter.

10 (6) That the income payor is liable for any amount that the income
11 payor fails to forward under this chapter.

12 (7) That withholding under this chapter has priority over any
13 secured or unsecured claim on income except claims for federal,
14 state, and local taxes.

15 (8) That, if the income payor is required to withhold income from
16 more than one (1) obligor, the income payor may:

17 (A) combine in a single payment the withheld amounts for all
18 obligors who have been ordered to pay the **same clerk state**
19 **central collection unit** or other governmental agency; and

20 (B) separately identify the part of the single payment that is
21 attributable to each individual obligor.

22 (9) That if:

23 (A) there is more than one (1) order for withholding against a
24 single obligor; and

25 (B) the obligor has insufficient disposable earnings to pay the
26 amount required by all the orders;

27 the income payor shall distribute the withheld earnings pro rata
28 among the entities entitled to receive earnings under the orders,
29 giving priority to a current support withholding order. The income
30 payor shall honor all withholdings to the extent that the total
31 amount withheld does not exceed the limits imposed under 15
32 U.S.C. 1673(b).

33 (10) That the income payor shall implement withholding not later
34 than the first pay date after fourteen (14) days following the date
35 the notice was received.

36 (11) That the income payor shall:

37 (A) notify:

38 (i) the Title IV-D agency if the Title IV-D agency gives the
39 notice under this section; or

40 (ii) the court if the court gives the notice under this section;
41 when the obligor ceases employment or no longer receives
42 income not later than ten (10) days after the employment or

C
o
p
y



income ceases; and

(B) provide:

(i) the obligor's last known address; and

(ii) the name and address of the obligor's new income payor, if known.

SECTION 54. IC 31-16-15-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. (a) Whenever an income withholding order is to be:

(1) activated in a case arising under section 5 of this chapter; or

(2) implemented by a Title IV-D agency under section 3 of this chapter despite the absence of a withholding order in the support order;

the Title IV-D agency shall send a written notice to the obligor.

(b) The notice required under subsection (a) must contain a statement of the following:

(1) Whether the obligor is delinquent in the payment of child support.

(2) The amount of child support, if any, that the obligor is in arrears.

(3) That a certain amount of income is to be:

(A) withheld under court order or action by the Title IV-D agency from the obligor's income; and

(B) forwarded to the ~~clerk of the court~~ **state central collection unit or other person named in the notice.**

(4) That the total amount to be withheld under court order or action by the Title IV-D agency by the obligor's income payor from the obligor's income is the sum of:

(A) the obligor's current monthly child support obligation;

(B) an amount to be applied toward the liquidation of any arrearages; and

(C) an optional fee of two dollars (\$2), which is payable to and imposed at the option of the income payor, each time the income payor forwards income to the clerk of the court or other person specified in the notice to the income payor under this chapter;

up to the maximum amount permitted under 15 U.S.C. 1673(b).

(5) That the provision for withholding applies to the receipt of any current or subsequent income.

(6) That the only basis for contesting activation of income withholding is a mistake of fact.

(7) That an obligor may contest the Title IV-D agency's determination to activate income withholding by making written

C
o
p
y



1 application to the Title IV-D agency not later than twenty (20)
2 days after the date the notice is mailed.

3 (8) That if the obligor contests the Title IV-D agency's
4 determination to activate the income withholding order, the Title
5 IV-D agency shall schedule an administrative hearing.

6 (9) That if the obligor does not contest the Title IV-D agency's
7 determination to activate the income withholding order, the Title
8 IV-D agency will activate income withholding.

9 (10) That income withholding will continue until a court or the
10 Title IV-D agency terminates activation of income withholding.

11 SECTION 55. IC 31-16-15-8 IS AMENDED TO READ AS
12 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. (a) If a petition
13 to activate an income withholding order is filed under section 6(2) or
14 6(3) of this chapter, the court shall set a date for a hearing on the
15 petition that is not later than twenty (20) days after the date the petition
16 is filed. The court shall send a summons and a written notice to the
17 obligor. The notice must contain a statement of the following:

18 (1) Whether the obligor is delinquent in the payment of child
19 support.

20 (2) The amount of child support, if any, that the obligor is in
21 arrears.

22 (3) That a certain amount for the payment of current and past due
23 child support is to be withheld each month from the obligor's
24 income and forwarded to the ~~clerk of the court~~; **state central**
25 **collection unit or other person named in the notice.**

26 (4) That the total amount to be withheld each month by the
27 obligor's income payor from the obligor's income is the sum of:

28 (A) the obligor's current monthly child support obligation;

29 (B) an amount to be applied toward the liquidation of any
30 arrearages; and

31 (C) an optional fee of two dollars (\$2), which is payable to and
32 imposed at the option of the income payor, each time the
33 income payor forwards income to the ~~clerk of the court~~; **state**
34 **central collection unit or other person named in the notice;**

35 up to the maximum amount permitted under 15 U.S.C. 1673(b).

36 (5) That the provision for withholding applies to receipt of any
37 current or subsequent income.

38 (6) That any of the following constitutes a basis for contesting the
39 withholding:

40 (A) A mistake of fact.

41 (B) The parties have submitted a written agreement providing
42 for an alternative child support arrangement.

C
o
p
y



- 1 (C) A court determines that good cause exists not to require
 2 immediate income withholding.
 3 (7) That income withholding will continue until the activation of
 4 the income withholding order is terminated by the court.
 5 (8) That if the obligor does not appear at the hearing, the court
 6 will activate the income withholding order.
 7 (b) If:
 8 (1) the obligor does not appear at the hearing on the petition filed
 9 under section 6(2) or 6(3) of this chapter; or
 10 (2) the court grants the petition;
 11 the court shall activate the income withholding order by mailing a
 12 written notice to the income payor as provided in section 10 of this
 13 chapter.
 14 SECTION 56. IC 31-16-15-10 IS AMENDED TO READ AS
 15 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10. (a) To activate
 16 or implement an income withholding order, in addition to the notice
 17 requirements imposed by sections 7 and 8 of this chapter:
 18 (1) the Title IV-D agency in a case arising under section 3 or 5 of
 19 this chapter; or
 20 (2) the court in a case arising under section 6 of this chapter;
 21 shall mail a written notice to each income payor not later than fifteen
 22 (15) calendar days after the issuance of the income withholding order.
 23 (b) The notice to each income payor must contain a statement of the
 24 following:
 25 (1) That the income payor is required to withhold a certain
 26 amount of income from the obligor.
 27 (2) That the total amount to be withheld each month by the
 28 obligor's income payor from the obligor's income is the sum of:
 29 (A) the obligor's current monthly child support obligation;
 30 (B) an amount to be applied toward the liquidation of any
 31 arrearages; and
 32 (C) an optional fee of two dollars (\$2), which is payable to and
 33 imposed at the option of the income payor, each time the
 34 income payor forwards income to the ~~clerk of the court~~; **state**
 35 **central collection unit or other person named in the notice;**
 36 up to the maximum amount permitted under 15 U.S.C. 1673(b).
 37 (3) That the income payor shall:
 38 (A) forward the withheld income described in subdivision
 39 (2)(A) and (2)(B) to the ~~clerk of the court~~ or the state central
 40 collection unit **or other person** named in the notice at the
 41 same time that the obligor is paid; and
 42 (B) include a statement identifying:

C
o
p
y



- 1 (i) each cause number;
- 2 (ii) the Indiana support enforcement tracking system
- 3 (ISETS) case number;
- 4 (iii) the name of each obligor; ~~and~~
- 5 (iv) the name of each payee with the withheld income
- 6 forwarded by the income payor; **and**
- 7 **(v) the obligor's Social Security number.**
- 8 (4) That withholding is binding upon the income payor until
- 9 further notice.
- 10 (5) That the obligor may recover from the income payor in a civil
- 11 action an amount not less than one hundred dollars (\$100) if the
- 12 income payor:
- 13 (A) discharges the obligor from employment;
- 14 (B) refuses the obligor employment; or
- 15 (C) disciplines the obligor;
- 16 because the income payor is required to forward income under
- 17 this chapter.
- 18 (6) That the income payor is liable for any amount that the income
- 19 payor fails to forward under this chapter.
- 20 (7) That withholding under this chapter has priority over any
- 21 secured or unsecured claim on income except claims for federal,
- 22 state, and local taxes.
- 23 (8) That, if the income payor is required to withhold income from
- 24 more than one (1) obligor, the income payor may:
- 25 (A) combine in a single payment the withheld amounts for all
- 26 obligors who have been ordered to pay the ~~same clerk state~~
- 27 **central collection unit** or other governmental agency; and
- 28 (B) separately identify the part of the single payment that is
- 29 attributable to each individual obligor.
- 30 (9) That if:
- 31 (A) there is more than one (1) order for withholding against a
- 32 single obligor; and
- 33 (B) the obligor has insufficient disposable earnings to pay the
- 34 amount required by all the orders;
- 35 the income payor shall distribute the withheld earnings pro rata
- 36 among the entities entitled to receive earnings under the orders,
- 37 giving priority to a current support withholding order, and shall
- 38 honor all withholdings to the extent that the total amount withheld
- 39 does not exceed the limits imposed under 15 U.S.C. 1673(b).
- 40 (10) That the income payor shall implement withholding not later
- 41 than the first pay date after fourteen (14) days following the date
- 42 the notice was received.

C
o
p
y



(11) That the income payor shall:

(A) notify:

(i) the Title IV-D agency in a case arising under section 5 of this chapter; or

(ii) the court in a case arising under section 1 or 6 of this chapter;

when the obligor terminates employment or ceases to receive other income not later than ten (10) days after termination; and

(B) provide:

(i) the obligor's last known address; and

(ii) the name and address of the obligor's new income payor if known.

SECTION 57. IC 31-16-15-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 15. (a) An income payor that is required to withhold income under this chapter shall:

(1) forward income withheld for the payment of current and past due child support to the ~~clerk of the court~~; the state central collection unit or other person named in the notice at the same time that the obligor is paid;

(2) include a statement identifying:

(A) each cause number;

(B) the Indiana support enforcement tracking system (ISETS) case number;

(C) the name of each obligor **and the obligor's Social Security number**; and

(D) the name of each payee with the withheld income forwarded by the income payor; and

(3) implement withholding not later than the first pay date after fourteen (14) days following the date the notice was received.

(b) The income payor may retain, in addition to the amount required to be forwarded to the ~~clerk of court~~ **state central collection unit** under subsection (a), a fee of two dollars (\$2) from the obligor's income each time the income payor forwards income to the ~~clerk of the court~~ **state central collection unit** or other person specified in the notice to an income payor under this chapter. If the income payor elects to withhold the fee, the amount to be withheld for the payment of current and past due child support must be reduced accordingly if necessary to avoid exceeding the maximum amount permitted to be withheld under 15 U.S.C. 1673(b).

SECTION 58. IC 31-16-15-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 16. (a) Except as provided in subsection (b), if the income payor is required to withhold

C
o
p
y



income from more than one (1) obligor under this chapter, the income payor may:

- (1) combine in a single payment the withheld amounts for all obligors who have been ordered to pay to the ~~same clerk state~~ **central collection unit** or other governmental agency; and
- (2) separately identify the part of the single payment that is attributable to each individual obligor.

(b) If the income payor:

- (1) is required to withhold income from more than one (1) obligor under this chapter; and
 - (2) employs more than fifty (50) employees;
- the income payor shall make payments to the state central collection unit through electronic funds transfer.

(c) The department of child services shall assess a civil penalty of twenty-five dollars (\$25) per obligor per pay period against an income payor that:

- (1) is required to make a payment through electronic funds transfer under subsection (b); and**
- (2) does not make the payment through electronic funds transfer.**

The department shall deposit the penalties into the state general fund.

SECTION 59. IC 31-33-1-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. The purpose of this article is to:

- (1) encourage effective reporting of suspected or known incidents of child abuse or neglect;
- (2) provide ~~in each county an effective child protection service~~ **services** to quickly investigate reports of child abuse or neglect;
- (3) provide protection for an abused or a neglected child from further abuse or neglect;
- (4) provide rehabilitative services for an abused or a neglected child and the child's parent, guardian, or custodian; and
- (5) establish a centralized statewide child abuse registry and an automated child protection system.

SECTION 60. IC 31-33-1.5 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 1.5. Department of Child Services

Sec. 1. As used in this article, "department" refers to the department of child services established by section 2 of this chapter.

C
O
P
Y



1 **Sec. 2. (a) The department of child services is established.**

2 **(b) The governor shall appoint a director who is responsible for**
 3 **administering the department. The director:**

4 **(1) serves at the governor's pleasure; and**

5 **(2) is entitled to compensation set by the budget agency.**

6 **Sec. 3. The director may employ necessary personnel to carry**
 7 **out the department's responsibilities subject to:**

8 **(1) the budget agency's approval under IC 4-12-1-13; and**

9 **(2) IC 4-15-2.**

10 **Sec. 4. The director shall determine the best manner of**
 11 **organizing the department to provide the necessary services**
 12 **throughout Indiana to fulfill the purposes of this article.**

13 **Sec. 5. Before December 1 of each year, the department shall**
 14 **submit a report to the budget committee and to the general**
 15 **assembly that provides data and statistical information regarding**
 16 **caseloads of child protection caseworkers. The report made to the**
 17 **general assembly must be in an electronic format under IC 5-14-6.**

18 **Sec. 6. The report required under section 5 of this chapter must**
 19 **do the following:**

20 **(1) Indicate the department's progress in recruiting, training,**
 21 **and retaining case workers.**

22 **(2) Describe the methodology used to compute caseloads for**
 23 **each child protection caseworker.**

24 **(3) Indicate whether the statewide average caseloads for child**
 25 **protection caseworkers exceed the caseload standards**
 26 **established by the department.**

27 **(4) If the report indicates that average caseloads exceed**
 28 **caseload standards, include a written plan that indicates the**
 29 **steps that are being taken to reduce caseloads.**

30 **(5) Identify, describe, and, if appropriate, recommend best**
 31 **management practices and resources required to achieve**
 32 **effective and efficient delivery of child protection services.**

33 **Sec. 7. The department is responsible for the following:**

34 **(1) Providing child protection services under IC 31-33.**

35 **(2) Providing and administering child abuse and neglect**
 36 **prevention services.**

37 **(3) Providing and administering child services (as defined in**
 38 **IC 12-19-7-1).**

39 **(4) Providing and administering family services (as defined in**
 40 **IC 31-9-2-45).**

41 **(5) Providing family preservation services under**
 42 **IC 12-14-25.5.**

C
O
P
Y



(6) Regulating and licensing the following under IC 12-17.4:

(A) Child caring institutions.

(B) Foster family homes.

(C) Group homes.

(D) Child placing agencies.

(7) Administering the state's plan for the administration of Title IV-D of the federal Social Security Act (42 U.S.C. 651 et seq.).

(8) Administering foster care services.

(9) Administering independent living services (as described in 42 U.S.C. 677 et seq.).

(10) Administering adoption services.

Sec. 8. (a) The department is the single state agency in Indiana charged with the administration of Title IV-D of the federal Social Security Act.

(b) The state's plan for the administration of Title IV-D must comply with all provisions of state law and with the federal statutes and regulations governing the program.

Sec. 9. (a) The department shall operate the state parent locator service. The department shall make all necessary requests and responses to the federal parent locator service and to the parent locator services of the other states.

(b) To carry out the department's responsibilities under this chapter, the department, through the parent locator service, may request information and assistance from a state, county, city, or town agency. Officers and employees of a state, county, city, or town agency shall cooperate with the department in determining the location of a parent who:

(1) owes child support; or

(2) has abandoned or deserted a child;

by providing the pertinent information relative to the location, income, and property of the parent, notwithstanding a statute making the information confidential.

(c) Notwithstanding a statute making the information confidential, each person doing business in Indiana shall provide the department or an agent of the department with the following information, if available, upon receipt of the certification described in subsection (d):

(1) Full name of the parent.

(2) Social Security number of the parent.

(3) Date of birth of the parent.

(4) Address of the parent's residence.

**C
O
P
Y**



(5) Amount of wages earned by the parent.

(6) Number of dependents claimed by the parent on state and federal tax withholding forms.

(7) Name and address of the parent's employer.

(8) Name and address of any financial institution maintaining an account for the parent.

(9) Address of any real property owned by the parent.

(10) Name and address of the parent's health insurance carrier and health coverage policy number.

(d) The parent locator service shall certify that the information requested in subsection (c) is for the purpose of locating a parent who owes child support or who has abandoned a child and that the information obtained is to be treated as confidential by the department and any other state to which the information is released.

(e) A business in Indiana and each unit of state and local government shall comply with an administrative subpoena issued by a Title IV-D agency in another jurisdiction. The information requested may not be provided unless the Title IV-D agency of the other jurisdiction certifies that the information will be treated as confidential. The business or unit of government shall provide the Title IV-D agency of the other jurisdiction with the information listed in subsection (d), if available, if requested in the subpoena, upon certification by the Title IV-D agency of the other jurisdiction that the information is for the purpose of locating a parent who owes child support or who has abandoned or deserted a child.

(f) A person may not knowingly refuse to give the department, the department's agents, or the Title IV-D agency of another jurisdiction the following:

(1) The name of a parent of a child for whom the state is providing public assistance.

(2) Information that may assist the parent locator service or other jurisdiction in locating the parent of a child.

(g) Information obtained under this section may not be used in a criminal prosecution against the informant.

(h) A person may not knowingly give the department or the Title IV-D agency of another jurisdiction the incorrect name of a parent of a child or knowingly give the parent locator service incorrect information on the parent's whereabouts for the purpose of concealing the identity of the real parent of the child or the location of the parent.

Sec. 10. (a) The department may establish a program to procure

C
O
P
Y



any of the services described in section 7 of this chapter under a procurement agreement administered by the department. The department may enter into procurement agreements that cover the delivery of one (1) or more categories of services to all of the counties in a region determined by the department. An agreement may provide for payment from state funds appropriated for the purpose or direct billing of services to the county receiving the service.

(b) If the department enters into a procurement agreement covering a county, the county, including the county's juvenile court, shall procure all services covered by the procurement agreement in accordance with the regional procurement agreement and the policies prescribed by the department. With the approval of the department, a county may utilize services from an alternate provider.

(c) The costs incurred under a procurement agreement shall be shared by the counties covered by the procurement agreement. The department shall allocate the costs of a regional procurement agreement among the counties covered by the agreement in proportion to the use of the services by each county under the schedule prescribed by the department. A county shall pay the costs incurred under a procurement agreement from the:

(1) family and children's fund; or

(2) children's psychiatric residential treatment services fund; as appropriate.

(d) If the department pays the costs incurred under a procurement contract from state funds appropriated for the purpose, the department shall present a claim for reimbursement to the appropriate county auditor. The county executive shall review and allow the full amount of the claim in the manner provided in IC 36-2-6.

Sec. 11. The department may adopt rules under IC 4-22-2 necessary to carry out the department's duties under this chapter.

SECTION 61. IC 31-33-2-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. The ~~local child protection service~~ department:

(1) must have sufficient qualified and trained staff to fulfill the purpose of this article;

(2) must be organized to maximize the continuity of responsibility, care, and service of individual caseworkers toward individual children and families;

(3) must provide training to representatives of the child protective

C
o
p
y



protection services system regarding the legal duties of the representatives, which may consist of various methods of informing the representatives of their duties, in order to protect the legal rights and safety of children and families from the initial time of contact during the investigation through treatment; and (4) must provide training to representatives of the child **protective protection** services system regarding the constitutional rights of the child's family, including a child's guardian or custodian, that is the subject of an investigation of child abuse or neglect consistent with the Fourth Amendment to the United States Constitution and Article I, Section 11 of the Constitution of the State of Indiana.

SECTION 62. IC 31-33-2-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) Except in cases involving a child who may be a victim of institutional abuse or cases in which police investigation also appears appropriate, the ~~local child protection service~~ **department** is the primary public agency responsible for:

- (1) receiving;
- (2) investigating or arranging for investigation; and
- (3) coordinating;

the investigation of all reports of a child who may be a victim of known or suspected child abuse or neglect.

(b) In accordance with ~~the~~ a local plan for ~~the~~ child protection services, the ~~local child protection service~~ **department** shall, by juvenile court order:

- (1) provide protective services to prevent cases where a child may be a victim of further child abuse or neglect; and
- (2) provide for or arrange for and coordinate and monitor the provision of the services necessary to ensure the safety of children.

(c) Reasonable efforts must be made to provide family services designed to prevent a child's removal from the child's parent, guardian, or custodian.

SECTION 63. IC 31-33-2-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. The ~~local child protection service~~ **department** shall give notice of the existence and location of photographs, x-rays, and physical medical examination reports to:

- (1) the **appropriate** prosecuting attorney; and
- (2) the appropriate law enforcement agency, if the law enforcement agency has not already received the items described

C
o
p
y



in this section under IC 31-33-10-3.

SECTION 64. IC 31-33-2-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) The ~~local child protection service~~ **department** shall cooperate with and shall seek and receive the cooperation of appropriate public and private agencies, including the following:

- (1) Law enforcement agencies.
- (2) The courts.
- (3) Organizations, groups, and programs providing or concerned with services related to the prevention, identification, or treatment of a child who may be a victim of child abuse or neglect.

(b) The ~~local child protection service~~ **department** shall also cooperate with public and private agencies, organizations, and groups that provide family services designed to prevent a child's removal from the child's home.

(c) Cooperation and involvement under this section may include the following:

- (1) Consultation services.
- (2) Planning.
- (3) Case management.
- (4) Public education and information services.
- (5) Utilization of each other's facilities, staff, and other training.

SECTION 65. IC 31-33-2-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) Notwithstanding any other law, the ~~child protection service~~ **department** may purchase and use the services of any public or private agency if adequate provision is made for continuity of care and accountability. ~~between the local protection service and the agency.~~

(b) If the ~~local child protection service~~ **department** purchases services under this article, the state shall reimburse the expenses, to the extent allowed by state and federal statutes, rules, and regulations, to the locality or agency in the same manner and to the same extent as if the services were provided directly by the ~~local child protection service.~~ **department.**

SECTION 66. IC 31-33-3-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) The community child protection team is a communitywide, multidisciplinary child protection team. The team must include the following eleven (11) members:

- (1) The director of the ~~local child protection service~~ **county office** or the **county office** director's designee.
- (2) Two (2) designees of the juvenile court judge.

C
o
p
y



(3) The county prosecuting attorney or the prosecuting attorney's designee.

(4) The county sheriff or the sheriff's designee.

(5) Either:

(A) the president of the county executive in a county not containing a consolidated city or the president's designee; or

(B) the executive of a consolidated city in a county containing a consolidated city or the executive's designee.

(6) A director of a court appointed special advocate or guardian ad litem program or the director's designee in the county in which the team is to be formed.

(7) Either:

(A) a public school superintendent or the superintendent's designee; or

(B) a director of a local special education cooperative or the director's designee.

(8) Two (2) persons, each of whom is a physician or nurse, with experience in pediatrics or family practice.

(9) One (1) citizen of the community.

(b) The director of the county office of family and children shall appoint, subject to the approval of the director of the ~~division of family and children~~, **department**, the members of the team under subsection (a)(7), (a)(8), and (a)(9).

SECTION 67. IC 31-33-3-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) The community child protection team shall meet:

(1) at least one (1) time each month; or

(2) at the times that the team's services are needed by the ~~child protection service~~, **department**.

(b) Meetings of the team shall be called by the majority vote of the members of the team.

(c) The team coordinator or at least two (2) other members of the team may determine the agenda.

(d) Notwithstanding IC 5-14-1.5, meetings of the team are open only to persons authorized to receive information under this article.

SECTION 68. IC 31-33-3-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. The community child protection team:

(1) shall provide diagnostic and prognostic services for the ~~local child protection service~~ **department** or the juvenile court; and

(2) may recommend to the ~~local child protection service~~ **department** that a petition be filed in the juvenile court on behalf

C
o
p
y



of the subject child if the team believes this would best serve the interests of the child.

SECTION 69. IC 31-33-3-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. The community child protection team may receive and review:

(1) any case that the ~~local child protection service~~ **department** has been involved in within the county where the team presides; and

(2) complaints regarding child abuse and neglect cases that are brought to the team by a person or an agency.

SECTION 70. IC 31-33-4-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. The local plan must describe the ~~county office of family and children's~~ **department's** implementation of this article, including the following:

(1) Organization.

(2) Staffing.

(3) Mode of operations.

(4) Financing of the child protection services.

(5) The provisions made for the purchase of service and interagency relations.

SECTION 71. IC 31-33-5-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. A person who has a duty under this chapter to report that a child may be a victim of child abuse or neglect shall immediately make an oral report to:

(1) the ~~local child protection service~~; **department**; or

(2) the local law enforcement agency.

SECTION 72. IC 31-33-7-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. The ~~local child protection service~~ **department** shall arrange for receipt, on a twenty-four (24) hour, seven (7) day per week basis, of all reports under this article of suspected child abuse or neglect.

SECTION 73. IC 31-33-7-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. To carry out section 1 of this chapter, a ~~local child protection service~~ **the department** must use a phone access system for receiving calls that is standardized among all counties. The ~~division of family and children~~ **department** shall adopt rules under IC 4-22-2 for the administration of this section.

SECTION 74. IC 31-33-7-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. ~~Each local child protection service~~ **The department** shall cause to be inserted in each local telephone directory in the county a listing of the child abuse hotline's telephone number under the name "child abuse hotline". The

C
o
p
y



child abuse hotline number under this section must be included with the other emergency numbers listed in the directory.

SECTION 75. IC 31-33-7-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) The ~~local child protection service~~ **department** shall make a written report of a child who may be a victim of child abuse or neglect not later than forty-eight (48) hours after receipt of the oral report required of individuals by IC 31-33-5-4.

(b) Written reports under this section must be made on forms supplied by the administrator. The written reports must include, if known, the following information:

(1) The names and addresses of the following:

(A) The child.

(B) The child's parents, guardian, custodian, or other person responsible for the child's care.

(2) The child's age and sex.

(3) The nature and apparent extent of the child's injuries, abuse, or neglect, including any evidence of prior:

(A) injuries of the child; or

(B) abuse or neglect of the child or the child's siblings.

(4) The name of the person allegedly responsible for causing the injury, abuse, or neglect.

(5) The source of the report.

(6) The person making the report and where the person can be reached.

(7) The actions taken by the reporting source, including the following:

(A) Taking of photographs and x-rays.

(B) Removal or keeping of the child.

(C) Notifying the coroner.

(8) The written documentation required by IC 31-34-2-3 if a child was taken into custody without a court order.

(9) Any other information that:

(A) the director requires by rule; or

(B) the person making the report believes might be helpful.

SECTION 76. IC 31-33-7-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. A copy of the written report of the ~~local child protection service~~ **department** shall immediately be made available to:

(1) the appropriate law enforcement agency;

(2) the prosecuting attorney; and

(3) in a case involving death, the coroner for the coroner's

C
o
p
y



consideration.

SECTION 77. IC 31-33-7-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. Upon receiving a written report under section 5(3) of this chapter, the coroner shall:

- (1) accept a report for investigation; and
- (2) report the coroner's findings to:
 - (A) the appropriate law enforcement agency;
 - (B) the prosecuting attorney;
 - (C) the ~~local child protection service;~~ **department;** and
 - (D) the hospital if the institution making the report is a hospital.

SECTION 78. IC 31-33-7-6.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6.5. Child abuse or neglect information may be expunged under IC 31-39-8 if the probative value of the information is so doubtful as to outweigh its validity. Child abuse or neglect information shall be expunged if it is determined to be unsubstantiated after:

- (1) an investigation **by the department** of a report of a child who may be a victim of child abuse or neglect; ~~by the child protection service;~~ or
- (2) a court proceeding.

SECTION 79. IC 31-33-7-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) When a law enforcement agency receives an initial report under IC 31-33-5-4 that a child may be a victim of child abuse or neglect, the law enforcement agency shall:

- (1) immediately communicate the report to the ~~local child protection service;~~ **department**, whether or not the law enforcement agency has reason to believe there exists an imminent danger to the child's health or welfare; and
- (2) conduct an immediate, onsite investigation of the report along with the ~~local child protection service~~ **department** whenever the law enforcement agency has reason to believe that an offense has been committed.

(b) In all cases, the law enforcement agency shall forward any information, including copies of investigation reports, on incidents of cases in which a child may be a victim of child abuse or neglect, whether or not obtained under this article, to:

- (1) the ~~local child protection agency;~~ **department;** and
- (2) the juvenile court under IC 31-34-7.

SECTION 80. IC 31-33-7-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) This section

C
o
p
y



applies if the ~~local child protection service~~ **department** receives a report of suspected child abuse or neglect from:

- (1) a hospital;
- (2) a community mental health center;
- (3) a managed care provider (as defined in IC 12-7-2-127(b));
- (4) a referring physician;
- (5) a dentist;
- (6) a licensed psychologist; or
- (7) a school.

(b) Not later than thirty (30) days after the date a ~~local child protection service~~ **the department** receives a report of suspected child abuse or neglect from a person described in subsection (a), the ~~child protection service~~ **department** shall send a report to:

- (1) the administrator of the hospital;
- (2) the community mental health center;
- (3) the managed care provider;
- (4) the referring physician;
- (5) the dentist; or
- (6) the principal of the school.

The report must contain the items listed in subsection (e) that are known at the time the report is sent.

(c) Not later than ninety (90) days after the date a ~~local child protection service~~ **the department** receives a report of suspected child abuse or neglect, the ~~local child protection service~~ **department** shall send a report that contains any additional items listed in subsection (e) that were not covered in the prior report if available.

(d) The administrator, director, referring physician, dentist, licensed psychologist, or principal may appoint a designee to receive the report.

(e) A report made by the ~~local child protection service~~ **department** under this section must contain the following information:

- (1) The name of the alleged victim of child abuse or neglect.
- (2) The name of the alleged perpetrator and the alleged perpetrator's relationship to the alleged victim.
- (3) Whether the case is closed.
- (4) Whether information concerning the case has been expunged.
- (5) The name of any agency to which the alleged victim has been referred.
- (6) Whether the ~~local child protection service~~ **department** has made an investigation of the case and has not taken any further action.
- (7) Whether a substantiated case of child abuse or neglect was informally adjusted.

C
o
p
y



(8) Whether the alleged victim was referred to the juvenile court as a child in need of services.

(9) Whether the alleged victim was returned to the victim's home.

(10) Whether the alleged victim was placed in residential care outside the victim's home.

(11) Whether a wardship was established for the alleged victim.

(12) Whether criminal action is pending or has been brought against the alleged perpetrator.

(13) A brief description of any casework plan that has been developed by the ~~child protection service~~ **department**.

(14) The caseworker's name and telephone number.

(15) The date the report is prepared.

(16) Other information that the ~~division of family and children~~ **department** may prescribe.

(f) A report made under this section:

(1) is confidential; and

(2) may be made available only to:

(A) the agencies named in this section; and

(B) the persons and agencies listed in IC 31-33-18-2.

SECTION 81. IC 31-33-8-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) The ~~local child protection service~~ **department** shall initiate an immediate and appropriately thorough child protection investigation of every report of known or suspected child abuse or neglect the ~~local child protection service~~ **department** receives, whether in accordance with this article or otherwise.

(b) Subject to subsections (d) and (e), if the report alleges a child may be a victim of child abuse, the investigation shall be initiated immediately, but not later than twenty-four (24) hours after receipt of the report.

(c) Subject to subsections (d) and (e), if reports of child neglect are received, the investigation shall be initiated within a reasonably prompt time, but not later than five (5) days, with the primary consideration being the well-being of the child who is the subject of the report.

(d) If the immediate safety or well-being of a child appears to be endangered or the facts otherwise warrant, the investigation shall be initiated regardless of the time of day.

(e) If the ~~child protection service~~ **department** has reason to believe that the child is in imminent danger of serious bodily harm, the ~~child protection service~~ **department** shall initiate within one (1) hour an immediate, onsite investigation.

SECTION 82. IC 31-33-8-2 IS AMENDED TO READ AS

C
o
p
y



1 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) Upon the receipt
 2 of each report under this chapter of known or suspected child abuse,
 3 the ~~local child protection service~~ **department** shall contact the law
 4 enforcement agency in the appropriate jurisdiction.

5 (b) The law enforcement agency, with the ~~local child protection~~
 6 ~~service,~~ **department**, shall conduct an immediate onsite investigation
 7 of the report if the law enforcement agency has reason to believe that
 8 an offense has been committed. The law enforcement agency shall
 9 investigate the alleged child abuse or neglect under this chapter in the
 10 same manner that the law enforcement agency conducts any other
 11 criminal investigation.

12 SECTION 83. IC 31-33-8-3 IS AMENDED TO READ AS
 13 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) Except as
 14 provided in subsection (b), the ~~local child protection service~~
 15 **department** shall:

- 16 (1) cause color photographs to be taken of the areas of trauma
 17 visible on a child who is subject to a report; and
 18 (2) if medically indicated, cause a radiological examination of the
 19 child to be performed.

20 (b) If the law enforcement agency participates in the investigation,
 21 the law enforcement agency shall cause the color photographs to be
 22 taken as provided by this section.

23 (c) The ~~division of family and children~~ **department** shall reimburse
 24 the expenses of the photographs and x-rays.

25 SECTION 84. IC 31-33-8-5 IS AMENDED TO READ AS
 26 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. The ~~local child~~
 27 ~~protection service~~ **department** shall immediately forward a copy of all
 28 reports made under this article to the appropriate prosecuting attorney
 29 if the prosecuting attorney has made a prior request to the service in
 30 writing for the copies.

31 SECTION 85. IC 31-33-8-6 IS AMENDED TO READ AS
 32 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. The ~~local child~~
 33 ~~protection service~~ **department** shall promptly make a thorough
 34 investigation upon either the oral or written report. The primary
 35 purpose of the investigation is the protection of the child.

36 SECTION 86. IC 31-33-8-7 IS AMENDED TO READ AS
 37 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) The ~~local child~~
 38 ~~protection service's~~ **department's** investigation, to the extent that is
 39 reasonably possible, must include the following:

- 40 (1) The nature, extent, and cause of the known or suspected child
 41 abuse or neglect.
 42 (2) The identity of the person allegedly responsible for the child

C
o
p
y



abuse or neglect.

(3) The names and conditions of other children in the home.

(4) An evaluation of the parent, guardian, custodian or person responsible for the care of the child.

(5) The home environment and the relationship of the child to the parent, guardian, or custodian or other persons responsible for the child's care.

(6) All other data considered pertinent.

(b) The investigation may include the following:

(1) A visit to the child's home.

(2) An interview with the subject child.

(3) A physical, psychological, or psychiatric examination of any child in the home.

(c) If:

(1) admission to the home, the school, or any other place that the child may be; or

(2) permission of the parent, guardian, custodian, or other persons responsible for the child for the physical, psychological, or psychiatric examination;

under subsection (b) cannot be obtained, the juvenile court, upon good cause shown, shall follow the procedures under IC 31-32-12.

SECTION 87. IC 31-33-8-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) If, before the investigation is complete, the opinion of the law enforcement agency or the ~~local child protection service~~ **department** is that immediate removal is necessary to protect the child from further abuse or neglect, the juvenile court may issue an order under IC 31-32-13.

(b) The ~~child protection service~~ **department** shall make a complete written report of the investigation.

(c) If a law enforcement agency participates in the investigation, the law enforcement agency shall also make a complete written report of the investigation.

SECTION 88. IC 31-33-8-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. (a) The ~~local child protection service's~~ **department's** report under section 8 of this chapter shall be made available to:

(1) the appropriate court;

(2) the prosecuting attorney; or

(3) the appropriate law enforcement agency;

upon request.

(b) If child abuse or neglect is substantiated after an investigation is conducted under section 7 of this chapter, the ~~local child protection~~

C
o
p
y



1 ~~service~~ **department** shall forward its report to the office of the
 2 prosecuting attorney having jurisdiction in the county in which the
 3 alleged child abuse or neglect occurred.

4 (c) If the investigation substantiates a finding of child abuse or
 5 neglect as determined by the ~~local child protection service~~,
 6 **department**, a report shall be sent to the coordinator of the community
 7 child protection team under IC 31-33-3.

8 SECTION 89. IC 31-33-8-11 IS AMENDED TO READ AS
 9 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. In all cases, the law
 10 enforcement agency shall release information on an incident in which
 11 a child may be a victim of alleged child abuse or neglect, whether
 12 obtained under this article or not, to the ~~local child protection service~~.
 13 **department**.

14 SECTION 90. IC 31-33-8-12 IS AMENDED TO READ AS
 15 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 12. (a) Upon
 16 completion of an investigation, the ~~local child protection service~~
 17 **department** shall classify reports as substantiated, indicated, or
 18 unsubstantiated.

19 (b) Except as provided in subsection (c), ~~a local child protection~~
 20 ~~service~~ **the department** shall expunge investigation records one (1)
 21 year after a report has been classified as indicated under subsection (a).

22 (c) If ~~a local child protection service~~ **the department** has:

- 23 (1) classified a report under subsection (a) as indicated; and
- 24 (2) not expunged the report under subsection (b);

25 and the subject of the report is the subject of a subsequent report, the
 26 one (1) year period in subsection (b) is tolled for one (1) year after the
 27 date of the subsequent report.

28 SECTION 91. IC 31-33-8-13 IS AMENDED TO READ AS
 29 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 13. Whenever:

- 30 (1) an arrest relating to child abuse or neglect is made, the law
- 31 enforcement agency that makes the arrest;
- 32 (2) criminal charges relating to child abuse or neglect are filed,
- 33 the court in which the charges are filed;
- 34 (3) a child in need of services determination is made, the ~~local~~
- 35 ~~child protection service that files the petition upon which the~~
- 36 ~~determination is based;~~ **department;**
- 37 (4) a court approves a program of informal adjustment under
- 38 IC 31-34-8 arising out of a child abuse or neglect report, the
- 39 ~~appropriate child protection service;~~ **department;** or
- 40 (5) a person who is accused of child abuse or neglect:
- 41 (A) enters into a services referral agreement; and
- 42 (B) fails to substantially comply with the terms of the services

C
o
p
y



1 referral agreement;
 2 under IC 31-33-13, the ~~local child protection service that obtains~~
 3 ~~the agreement from the person;~~ **department;**
 4 shall transmit to the registry, not more than five (5) working days after
 5 the circumstances described by subdivisions (1) through (5) occur, the
 6 relevant child abuse or neglect report.

7 SECTION 92. IC 31-33-9-1 IS AMENDED TO READ AS
 8 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) Through a written
 9 protocol or agreement, the ~~division of family and children~~ **department**
 10 shall designate the public or private agencies primarily responsible for
 11 investigating reports involving a child who:

- 12 (1) may be a victim of child abuse or neglect; and
 13 (2) is under the care of a public or private institution.

14 (b) The designated agency must be different from and separately
 15 administered from the agency involved in the alleged act or omission.
 16 Subject to this limitation, the agency:

- 17 (1) may be:
 18 (A) the ~~division of family and children;~~ **department; or**
 19 ~~(B) the local child protection service; or~~
 20 ~~(C) (B)~~ **(B)** a law enforcement agency; and
 21 (2) may not be the office of the prosecuting attorney.

22 SECTION 93. IC 31-33-9-2 IS AMENDED TO READ AS
 23 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. The protocol or
 24 agreement must describe the specific terms or conditions of the
 25 designation, including the following:

- 26 (1) The manner in which reports of a child who may be a victim
 27 of child abuse or neglect and who is under the care of a public or
 28 private institution will be received.
 29 (2) The manner in which the reports will be investigated.
 30 (3) The remedial action that will be taken.
 31 (4) The manner in which the ~~division of family and children~~
 32 **department** will be kept fully informed on the progress, findings,
 33 and disposition of the investigation.

34 SECTION 94. IC 31-33-9-3 IS AMENDED TO READ AS
 35 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. To fulfill the
 36 purposes of this chapter, the ~~division of family and children~~
 37 **department** may purchase the services of the public or private agency
 38 designated to investigate reports of child abuse or neglect.

39 SECTION 95. IC 31-33-10-2 IS AMENDED TO READ AS
 40 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. The ~~division of~~
 41 ~~family and children~~ **department** shall reimburse the reasonable cost of
 42 photographs, x-rays, or physical medical examinations made under this

C
o
p
y



1 chapter.

2 SECTION 96. IC 31-33-10-3 IS AMENDED TO READ AS
3 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. All photographs
4 taken and a summary of x-rays and other medical care shall be sent to
5 the ~~local child protection service~~ **department** and, upon request, to a
6 law enforcement agency that investigates the alleged child abuse or
7 neglect, at the time the written report is sent or as soon thereafter as
8 possible. The ~~local child protection service~~ **department** shall give
9 notice of the existence of photographs, x-rays, and physical medical
10 examination reports in accordance with IC 31-33-2-4.

11 SECTION 97. IC 31-33-11-1 IS AMENDED TO READ AS
12 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) Whenever:

- 13 (1) a child is subject to investigation by a ~~local child protection~~
14 ~~service~~ **the department** for reported child abuse or neglect;
15 (2) the child is a patient in a hospital; and
16 (3) the hospital has reported or has been informed of the report
17 and investigation;

18 the hospital may not release the child to the child's parent, guardian,
19 custodian, or to a court approved placement until the hospital receives
20 authorization or a copy of a court order from the ~~investigating local~~
21 ~~child protection service~~ **department** indicating that the child may be
22 released to the child's parent, guardian, custodian, or court approved
23 placement.

24 (b) If the authorization that is granted under this section is verbal,
25 the ~~investigating local child protection service~~ **department** shall send
26 a letter to the hospital confirming that the ~~local child protection service~~
27 **department** has granted authorization for the child's release.

28 (c) The individual or third party payor responsible financially for the
29 hospital stay of the child remains responsible for any extended stay
30 under this section. If no party is responsible for the extended stay, the
31 ~~division of family and children~~ **department** shall pay the expenses of
32 the extended hospital stay.

33 SECTION 98. IC 31-33-12-1 IS AMENDED TO READ AS
34 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. Based on the
35 investigation and evaluation conducted under this article, the ~~local~~
36 ~~child protection service~~ **department** shall offer to the family or any
37 child believed to be suffering from child abuse or neglect:

- 38 (1) family services;
39 (2) rehabilitative services; or
40 (3) both types of services;

41 that appear appropriate for either the child or the family.

42 SECTION 99. IC 31-33-12-2 IS AMENDED TO READ AS

C
o
p
y



FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. Before offering services under section 1 of this chapter to a family, the ~~local child protection service~~ **department**:

(1) shall explain that the ~~local child protection service~~ **department** has no legal authority to compel the family to receive the social services; and

(2) may inform the family of the obligations and authority of the ~~local child protection service~~ **department** to petition a juvenile court for a proceeding alleging that the child may be a victim of child abuse or neglect.

SECTION 100. IC 31-33-12-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. The ~~local child protection service~~ **department** shall coordinate, provide or arrange for, and monitor, as authorized by this article and IC 12, family or rehabilitative services, or both types of services, for a child and the child's family on a voluntary basis or under an order of the court, subject to IC 31-34-11 and IC 31-34-18.

SECTION 101. IC 31-33-13-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. This chapter applies if:

- (1) a child abuse or neglect report is classified as substantiated;
- (2) the ~~local child protection service~~ **department** does not seek court involvement under IC 31-34; and
- (3) the ~~local child protection service~~ **department** recommends voluntary participation in family or rehabilitative services for not more than six (6) months.

SECTION 102. IC 31-33-13-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. A person who is accused of child abuse or neglect may enter into a voluntary services referral agreement with the ~~local child protection service~~ **department** under this chapter. Under the terms of the agreement, the person shall successfully participate in and complete any family or rehabilitative services recommended by the ~~local child protection service~~ **department**.

SECTION 103. IC 31-33-13-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. If a person who enters into an agreement under section 2 of this chapter (or IC 31-6-11-13.5(b) before its repeal) fails to substantially carry out the terms of the agreement, the ~~local child protection service~~ **department** shall:

- (1) terminate the agreement; and
- (2) ~~forward~~ **enter** the child abuse or neglect report relating to the

C
o
p
y



1 person to the division of family and children for entry into the
2 registry under IC 31-33-17.

3 SECTION 104. IC 31-33-13-4 IS AMENDED TO READ AS
4 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. Before a person
5 enters into a services referral agreement under this chapter, the ~~local~~
6 ~~child protection service~~ **department** shall advise the person, orally and
7 in writing, that the ~~division of family and children~~ **department** shall
8 enter information contained in the child abuse or neglect report that
9 gave rise to the service referral agreement into the registry as provided
10 under IC 31-33-17 if the person fails to substantially comply with the
11 terms of the agreement.

12 SECTION 105. IC 31-33-13-5 IS AMENDED TO READ AS
13 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. The ~~local child~~
14 ~~protection service~~ **department** shall provide a court with access to
15 information relating to a services referral agreement whenever the
16 court:

17 (1) approves a program of informal adjustment; or

18 (2) presides over a child in need of services proceeding;

19 involving the same person or family to whom services were
20 recommended under the services referral agreement.

21 SECTION 106. IC 31-33-14-1 IS AMENDED TO READ AS
22 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. If the ~~local child~~
23 ~~protection services~~ **department** determines that the best interests of the
24 child require action in the juvenile or criminal court, the ~~local child~~
25 ~~protection service~~ **department** shall:

26 (1) refer the case to the juvenile court under IC 31-34-7; or

27 (2) make a referral to the prosecuting attorney if criminal
28 prosecution is desired.

29 SECTION 107. IC 31-33-14-2 IS AMENDED TO READ AS
30 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. The ~~local child~~
31 ~~protection service~~ **department** shall assist the juvenile court or the
32 court having criminal jurisdiction during all stages of the proceedings
33 in accordance with the purposes of this article.

34 SECTION 108. IC 31-33-17-1 IS AMENDED TO READ AS
35 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. The ~~division of~~
36 ~~family and children~~ **department** shall establish and maintain a
37 centralized, computerized child abuse registry for the purpose of
38 organizing and accessing data regarding substantiated reports of child
39 abuse and neglect described under section 2 of this chapter that the
40 ~~division of family and children~~ **department** receives from throughout
41 Indiana under this article.

42 SECTION 109. IC 31-33-17-2 IS AMENDED TO READ AS

C
o
p
y



1 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. The ~~division of~~
 2 ~~family and children~~ **department** shall enter a substantiated report into
 3 the registry only if at least one (1) of the following applies:

4 (1) An arrest of the alleged perpetrator of the child abuse or
 5 neglect is made.

6 (2) Criminal charges are filed in state or federal court against the
 7 alleged perpetrator of the child abuse or neglect.

8 (3) A court determines that a child is a child in need of services
 9 based on a report of child abuse or neglect.

10 (4) A court approves a program of informal adjustment relating to
 11 the child abuse or neglect report under IC 31-34-8.

12 (5) A person does not substantially comply with the terms of a
 13 services referral agreement under IC 31-33-13.

14 SECTION 110. IC 31-33-17-3 IS AMENDED TO READ AS
 15 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. The ~~division of~~
 16 ~~family and children~~ **department** may not enter an unsubstantiated
 17 report into the registry.

18 SECTION 111. IC 31-33-17-4 IS AMENDED TO READ AS
 19 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. The ~~division of~~
 20 ~~family and children~~ **department** shall store data regarding the child
 21 abuse or neglect reports in a manner so that the data is accessible under
 22 the following if known:

23 (1) The child's name.

24 (2) The child's date of birth.

25 (3) The alleged perpetrator's name.

26 (4) The child's mother's name.

27 (5) The child's father's name.

28 (6) The name of a sibling of the child.

29 (7) The name of the child's guardian or custodian if applicable.

30 SECTION 112. IC 31-33-17-5 IS AMENDED TO READ AS
 31 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. The ~~division of~~
 32 ~~family and children~~ **department** shall adopt rules under IC 4-22-2 for
 33 the purpose of ensuring that the confidentiality and access to reports of
 34 child abuse or neglect are maintained as provided in this chapter.

35 SECTION 113. IC 31-33-17-6 IS AMENDED TO READ AS
 36 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. Upon request, a
 37 person or an organization may have access to information contained in
 38 the registry as follows:

39 (1) A law enforcement agency or ~~local child protective service~~ **the**
 40 **department** may have access to a substantiated report.

41 (2) A person may have access to information consisting of an
 42 identifiable notation of a conviction arising out of a report of child

C
o
p
y



abuse or neglect.

(3) Upon submitting written verification of an application for employment or a consent for release of information signed by a child care provider, a person or an agency may obtain the following information contained in the child abuse registry regarding an individual who has applied for employment or volunteered for services in a capacity that would place the individual in a position of trust with children less than eighteen (18) years of age or regarding a child care provider who is providing or may provide child care for the person's child:

(A) Whether a child was found by a court to be a child in need of services based on a report of child abuse or neglect naming the applicant, volunteer, or child care provider as the alleged perpetrator.

(B) Whether criminal charges were filed against the applicant, volunteer, or child care provider based on a report of child abuse or neglect naming the applicant, volunteer, or child care provider as the alleged perpetrator.

(C) Whether a court has issued an arrest warrant for the applicant, volunteer, or child care provider based on a report of child abuse or neglect in which the applicant, volunteer, or child care provider is named as the alleged perpetrator.

(4) A person may have access to whatever information is contained in the registry pertaining to the person, with protection for the identity of:

(A) the person who reports the alleged child abuse or neglect; and

(B) any other appropriate person.

(5) A person or an agency to whom child abuse and neglect reports are available under IC 31-33-18 may also have access to information contained in the registry.

(6) If a child care provider provides child care in the provider's home, upon submitting a consent for release of information signed by an individual who is at least eighteen (18) years of age, who resides with the child care provider, and who may have direct contact with children for whom the provider provides child care, a person may obtain the following information contained in the child abuse registry regarding the individual:

(A) Whether a child was found by a court to be a child in need of services based on a report of child abuse or neglect naming the individual as the alleged perpetrator.

(B) Whether criminal charges were filed against the individual

C
o
p
y



based on a report of child abuse or neglect naming the individual as the alleged perpetrator.

(C) Whether a court has issued an arrest warrant for the individual based on a report of child abuse or neglect in which the individual is named as the alleged perpetrator.

(7) The ~~division of family and children~~ **department** may use the following information contained in the registry regarding an individual described in IC 12-17.2-3.5-4.1(a) for purposes of determining the eligibility of a child care provider to receive a voucher payment (as defined in IC 12-17.2-3.5-3):

(A) Whether a child has been found by a court to be a child in need of services based on a report of child abuse or neglect naming the individual as the alleged perpetrator.

(B) Whether criminal charges have been filed against the individual based on a report of child abuse or neglect naming the individual as the alleged perpetrator.

(C) Whether a court has issued an arrest warrant for the individual based on a report of child abuse or neglect in which the individual is named as the alleged perpetrator.

The ~~division of family and children~~ **department** may not disclose information used in connection with the ~~division's~~ **department's** activities under this subdivision.

SECTION 114. IC 31-33-17-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. The ~~division of family and children~~ **department** shall administer the registry and ~~each local child protection service shall administer~~ the automated child protection system under IC 31-33-20 in a manner that enables the ~~division of family and children or each local child protection service~~ **department** to do the following:

(1) Immediately identify and locate prior reports of child abuse or neglect through the use of the ~~division of family and children's~~ **department's**:

(A) computerized tracking system; and

~~the local child protection service's~~ (B) automated risk assessment system.

(2) Track steps in the investigative process to ensure compliance with all requirements for a report of child abuse and neglect.

(3) Maintain and produce aggregate statistical reports monitoring patterns of child abuse and neglect that the ~~division of family and children~~ **department** shall make available to the public upon request.

(4) Serve as a resource for the evaluation, management, and

C
o
p
y



1 planning of preventative and remedial services to children who
 2 have been subject to child abuse or neglect.

3 SECTION 115. IC 31-33-17-8 IS AMENDED TO READ AS
 4 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) This section does
 5 not apply to substantiated cases if a court determines that a child is a
 6 child in need of services based on a report of child abuse or neglect that
 7 names the alleged perpetrator as the individual who committed the
 8 alleged child abuse or neglect.

9 (b) Not later than thirty (30) days after the ~~division of family and~~
 10 ~~children department~~ enters a substantiated child abuse or neglect
 11 report into the registry, the ~~division of family and children department~~
 12 shall notify:

13 (1) the parent, guardian, or custodian of the child who is named
 14 in the report as the victim of the child abuse or neglect; and

15 (2) the alleged perpetrator, if other than the child's parent,
 16 guardian, or custodian, named in the report under IC 31-33-5-4;
 17 that the ~~division of family and children department~~ has entered the
 18 report into the registry.

19 (c) The ~~division of family and children department~~ shall state the
 20 following in a notice to an alleged perpetrator of a substantiated report
 21 under subsection (b):

22 (1) The report has been classified as substantiated.

23 (2) The alleged perpetrator may request that a substantiated report
 24 be amended or expunged at an administrative hearing if the
 25 alleged perpetrator does not agree with the classification of the
 26 report unless a court is in the process of making a determination
 27 described in IC 31-33-19.

28 (3) The alleged perpetrator's request for an administrative hearing
 29 to contest the classification of a substantiated report must be
 30 received by the ~~division of family and children department~~ not
 31 more than thirty (30) days after the alleged perpetrator receives
 32 the notice.

33 (d) If the alleged perpetrator fails to request an administrative
 34 hearing within the time specified in subsection (c)(3), the alleged
 35 perpetrator named in a substantiated report may request an
 36 administrative hearing to contest the classification of the report if the
 37 alleged perpetrator demonstrates that the failure to request an
 38 administrative hearing was due to excusable neglect or fraud. The
 39 Indiana Rules of Civil Procedure provide the standard for excusable
 40 neglect or fraud.

41 SECTION 116. IC 31-33-17-10 IS AMENDED TO READ AS
 42 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. (a) Whenever a

C
o
p
y



1 court grants a name change under IC 34-28-2 (or IC 34-4-6 before its
2 repeal) to a person:

- 3 (1) against whom an allegation of child abuse or neglect has been
4 substantiated; and
5 (2) whose name is maintained within the registry in accordance
6 with this chapter;

7 the person must notify the ~~division of family and children~~ **department**
8 regarding the name change not more than ten (10) business days after
9 the court enters a decree changing the person's name.

10 (b) The notice must include a copy of the decree of the court that
11 changes the name of the person, certified under the seal of the clerk of
12 court.

13 SECTION 117. IC 31-33-18-1 IS AMENDED TO READ AS
14 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) Except as
15 provided in section 1.5 of this chapter, the following are confidential:

- 16 (1) Reports made under this article (or IC 31-6-11 before its
17 repeal).
18 (2) Any other information obtained, reports written, or
19 photographs taken concerning the reports in the possession of:
20 (A) the division of family and children;
21 (B) the county office of family and children; or
22 (C) the ~~local child protection service~~ **department**.

23 (b) Except as provided in section 1.5 of this chapter, all records held
24 by:

- 25 (1) the division of family and children;
26 (2) a county office of family and children;
27 ~~(3) a local child protection service;~~
28 **(3) the department;**
29 (4) a local child fatality review team established under
30 IC 12-13-15; or
31 (5) the statewide child fatality review committee established
32 under IC 12-13-15.1-6;

33 regarding the death of a child determined to be a result of abuse,
34 abandonment, or neglect are confidential and may not be disclosed.

35 SECTION 118. IC 31-33-18-1.5 IS AMENDED TO READ AS
36 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1.5. (a) This section
37 applies to records held by:

- 38 (1) the division of family and children;
39 (2) a county office of family and children;
40 ~~(3) a local child protection service;~~
41 **(3) the department;**
42 (4) a local child fatality review team established under

C
o
p
y



1 IC 12-13-15; or

2 (5) the statewide child fatality review committee established
3 under IC 12-13-15.1-6;

4 regarding the death of a child determined to be a result of abuse,
5 abandonment, or neglect.

6 (b) As used in this section, "identifying information" means
7 information that identifies an individual, including an individual's:

8 (1) name, address, date of birth, occupation, place of employment,
9 employer identification number, mother's maiden name, Social
10 Security number, or any identification number issued by a
11 governmental entity;

12 (2) unique biometric data, including the individual's fingerprint,
13 voice print, or retina or iris image;

14 (3) unique electronic identification number, address, or routing
15 code;

16 (4) telecommunication identifying information; or

17 (5) telecommunication access device, including a card, a plate, a
18 code, a telephone number, an account number, a personal
19 identification number, an electronic serial number, a mobile
20 identification number, or another telecommunications service or
21 device or means of account access.

22 (c) Unless information in a record is otherwise confidential under
23 state or federal law, a record described in subsection (a) that has been
24 redacted in accordance with this section is not confidential and may be
25 disclosed to any person who requests the record. The person requesting
26 the record may be required to pay the reasonable expenses of copying
27 the record.

28 (d) When a person requests a record described in subsection (a), the
29 entity having control of the record shall immediately transmit a copy of
30 the record to the court exercising juvenile jurisdiction in the county in
31 which the death of the child occurred. However, if the court requests
32 that the entity having control of a record transmit the original record,
33 the entity shall transmit the original record.

34 (e) Upon receipt of the record described in subsection (a), the court
35 shall, within thirty (30) days, redact the record to exclude identifying
36 information of a person or other information not relevant to
37 establishing the facts and circumstances leading to the death of the
38 child. However, the court shall not redact the record to exclude
39 information that relates to an employee of the division of family and
40 children, an employee of a county office of family and children, or an
41 employee of a local child protection service. **the department.**

42 (f) The court shall disclose the record redacted in accordance with

C
o
p
y



subsection (e) to any person who requests the record, if the person has paid:

(1) to the entity having control of the record, the reasonable expenses of copying under IC 5-14-3-8; and

(2) to the court, the reasonable expenses of copying the record.

(g) The court's determination under subsection (e) that certain identifying information or other information is not relevant to establishing the facts and circumstances leading to the death of a child is not admissible in a criminal proceeding or civil action.

SECTION 119. IC 31-33-18-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. The reports and other material described in section 1(a) of this chapter and the unredacted reports and other material described in section 1(b) of this chapter shall be made available only to the following:

(1) Persons authorized by this article.

(2) A legally mandated public or private child protective agency investigating a report of child abuse or neglect or treating a child or family that is the subject of a report or record.

(3) A police or other law enforcement agency, prosecuting attorney, or coroner in the case of the death of a child who is investigating a report of a child who may be a victim of child abuse or neglect.

(4) A physician who has before the physician a child whom the physician reasonably suspects may be a victim of child abuse or neglect.

(5) An individual legally authorized to place a child in protective custody if:

(A) the individual has before the individual a child whom the individual reasonably suspects may be a victim of abuse or neglect; and

(B) the individual requires the information in the report or record to determine whether to place the child in protective custody;

(6) An agency having the legal responsibility or authorization to care for, treat, or supervise a child who is the subject of a report or record or a parent, guardian, custodian, or other person who is responsible for the child's welfare.

(7) An individual named in the report or record who is alleged to be abused or neglected or, if the individual named in the report is a child or is otherwise incompetent, the individual's guardian ad litem or the individual's court appointed special advocate, or both.

(8) Each parent, guardian, custodian, or other person responsible

C
o
p
y



for the welfare of a child named in a report or record and an attorney of the person described under this subdivision, with protection for the identity of reporters and other appropriate individuals.

(9) A court, for redaction of the record in accordance with section 1.5 of this chapter, or upon the court's finding that access to the records may be necessary for determination of an issue before the court. However, except for disclosure of a redacted record in accordance with section 1.5 of this chapter, access is limited to in camera inspection unless the court determines that public disclosure of the information contained in the records is necessary for the resolution of an issue then pending before the court.

(10) A grand jury upon the grand jury's determination that access to the records is necessary in the conduct of the grand jury's official business.

(11) An appropriate state or local official responsible for ~~the child protective service~~ **protection services** or legislation carrying out the official's official functions.

(12) A foster care review board established by a juvenile court under IC 31-34-21-9 (or IC 31-6-4-19 before its repeal) upon the court's determination that access to the records is necessary to enable the foster care review board to carry out the board's purpose under IC 31-34-21.

(13) The community child protection team appointed under IC 31-33-3 (or IC 31-6-11-14 before its repeal), upon request, to enable the team to carry out the team's purpose under IC 31-33-3.

(14) A person about whom a report has been made, with protection for the identity of:

(A) any person reporting known or suspected child abuse or neglect; and

(B) any other person if the person or agency making the information available finds that disclosure of the information would be likely to endanger the life or safety of the person.

(15) An employee of the division of family and children, a caseworker, or a juvenile probation officer conducting a criminal history check under IC 12-14-25.5-3, IC 31-34, or IC 31-37 to determine the appropriateness of an out-of-home placement for a:

(A) child at imminent risk of placement;

(B) child in need of services; or

(C) delinquent child.

The results of a criminal history check conducted under this subdivision must be disclosed to a court determining the

C
o
p
y



1 placement of a child described in clauses (A) through (C).

2 (16) A local child fatality review team established under
3 IC 12-13-15-6.

4 (17) The statewide child fatality review committee established by
5 IC 12-13-15.1-6.

6 **(18) The department.**

7 SECTION 120. IC 31-33-18-3 IS AMENDED TO READ AS
8 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) Section 2 of this
9 chapter does not prevent the county office of family and children or the
10 ~~local child protection service~~ **department** from disclosing to a
11 qualified individual engaged in a good faith research project either:

12 (1) information of a general nature, including the incidents of
13 reported child abuse or neglect or other statistical or social data
14 used in connection with studies, reports, or surveys, and
15 information related to their function and activities; or

16 (2) information relating to case histories of child abuse or neglect
17 if:

18 (A) the information disclosed does not identify or reasonably
19 tend to identify the persons involved; and

20 (B) the information is not a subject of pending litigation.

21 (b) To implement this section, the ~~division of family and children~~
22 **department** shall adopt under IC 4-22-2 rules to govern the
23 dissemination of information to qualifying researchers.

24 SECTION 121. IC 31-33-18-4 IS AMENDED TO READ AS
25 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) Whenever a child
26 abuse or neglect investigation is conducted under this article, the ~~local~~
27 ~~child protection service~~ **department** shall give verbal and written
28 notice to each parent, guardian, or custodian of the child that:

29 (1) the reports and information described under section 1 of this
30 chapter relating to the child abuse or neglect investigation; and

31 (2) if the child abuse or neglect allegations are pursued in juvenile
32 court, the juvenile court's records described under IC 31-39;

33 are available upon the request of the parent, guardian, or custodian
34 except as prohibited by federal law.

35 (b) A parent, guardian, or custodian requesting information under
36 this section may be required to sign a written release form that
37 delineates the information that is requested before the information is
38 made available. However, no other prerequisites for obtaining the
39 information may be placed on the parent, guardian, or custodian except
40 for reasonable copying costs.

41 SECTION 122. IC 31-33-19-1 IS AMENDED TO READ AS
42 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. Except as provided

C
o
p
y



in sections 6 and 7 of this chapter, the ~~division of family and children~~
department shall conduct an administrative hearing under IC 4-21.5-3
upon a request made under IC 31-33-17-8.

SECTION 123. IC 31-33-19-4 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. If the classifying
agency fails to carry the burden of proof under section 2 of this chapter,
the ~~division of family and children~~ **department** shall amend or
expunge the report as ordered by the administrative hearing officer
within the period provided under section 8 of this chapter.

SECTION 124. IC 31-33-19-8 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) The ~~division of~~
~~family and children~~ **department** shall expunge identifying information
in a substantiated report contained within the registry as follows:

(1) Not later than ten (10) working days after any of the following
occurs:

(A) A court having jurisdiction over a child in need of services
proceeding determines that child abuse or neglect has not
occurred.

(B) An administrative hearing officer under this chapter finds
that the child abuse or neglect report is unsubstantiated.

(C) A court having criminal jurisdiction over a case involving
child abuse or neglect in which criminal charges are filed and
the court:

(i) dismisses the charges; or

(ii) enters a not guilty verdict.

(2) Not later than ten (10) working days after the period of
informal adjustment ceases under IC 31-34-8.

(3) Not later than six (6) months after the date that the ~~division of~~
~~family and children~~ **department** enters the report into the registry
as the result of a person's failure to successfully participate in a
services referral agreement under IC 31-33-13.

(4) Not later than twenty (20) years after a court determines that
a child is a child in need of services based upon the report.

(b) However, if subsection (a)(1) through (a)(4) does not apply, the
~~division of family and children~~ **department** shall expunge the report
not later than when the child who is named as the victim of child abuse
or neglect reaches twenty-four (24) years of age.

SECTION 125. IC 31-33-19-9 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. The ~~division of~~
~~family and children~~ **department** shall immediately amend or expunge
from the registry a substantiated report containing an inaccuracy
arising from an administrative or a clerical error.

C
o
p
y



1 SECTION 126. IC 31-33-20-1 IS AMENDED TO READ AS
 2 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. ~~Each local child~~
 3 ~~protection service~~ **The department** shall establish and maintain an
 4 automated child protection system.

5 SECTION 127. IC 31-33-20-2 IS AMENDED TO READ AS
 6 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. The system consists
 7 of the following components:

8 (1) One (1) computer to be purchased for every two (2) child
 9 welfare caseworkers.

10 (2) Automated risk assessment in which a child welfare worker or
 11 supervisor is able to review a substantiated child abuse and
 12 neglect case to determine prior case history during the intake,
 13 investigation, assessment, and case management processes.

14 (3) The capability to allow supervisors to monitor child abuse and
 15 neglect cases and reports relating to the cases.

16 (4) The automated production of standard reports to enable the
 17 automated compilation of information gathered on forms used by
 18 child welfare workers to report the information and results of
 19 child abuse and neglect cases. The system must also provide for
 20 the automation of other data for planning and evaluation as
 21 determined by the ~~division of family and children~~ **department**.

22 (5) The capability of same day notification and transfer of
 23 statistical information to the ~~division of family and children~~
 24 **department** regarding new and closed child abuse and neglect
 25 cases.

26 (6) The enabling of child welfare supervisors to review a child
 27 abuse or neglect case at any point after the case is initially
 28 determined to be substantiated abuse or neglect to confirm the
 29 status of the case and allow for the consolidated management of
 30 cases.

31 (7) The capability for adjustment to the system's programming at
 32 a later date if additional reporting requirements occur at a later
 33 date.

34 (8) A word processing capability to allow case notes to be
 35 recorded with each substantiated child abuse and neglect case.

36 SECTION 128. IC 31-33-20-3 IS AMENDED TO READ AS
 37 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) In addition to the
 38 components under section 2 of this chapter, the system must have the
 39 capability to maintain a case history file.

40 (b) Whenever a child abuse or neglect case is substantiated as
 41 provided under IC 31-33-17-2, the system must have the capability to
 42 transmit the information regarding the case to the ~~division of family~~

C
o
p
y



1 ~~and children department.~~

2 (c) Whenever a person enters a new child abuse or neglect report
3 into the system, the system must have the capability to automatically
4 search:

5 ~~(A)~~ (1) within the county; and

6 ~~(B)~~ (2) within the child abuse and neglect registry maintained by
7 the ~~division of family and children~~ **department** under
8 IC 31-33-17;

9 for reports that match the name of the perpetrator, victim, or person
10 who is legally responsible for the victim's welfare with the persons
11 named in the new report as described in this chapter.

12 (d) If the system identifies a previous, substantiated report, the
13 system must have the capability to transfer the report to the county
14 where the new report originated not later than twenty-four (24) hours
15 after receipt of the new report. If the previous, matching report is
16 located, a case history extract must be made available to the assigned
17 caseworker.

18 SECTION 129. IC 31-33-20-4 IS AMENDED TO READ AS
19 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. At least ten (10)
20 levels of security for confidentiality in the system must be maintained.
21 The system must have a comprehensive system of limited access to
22 information as follows:

23 (1) The system must be accessed only by the entry of an operator
24 identification number and a person's secret password.

25 (2) Child welfare caseworkers and investigators must be allowed
26 to access only cases that are assigned to the caseworker or
27 investigator.

28 (3) Child welfare supervisors may access only the following:

29 (A) Cases assigned to the supervisor.

30 (B) Cases assigned to a caseworker or an investigator who
31 reports to the supervisor.

32 (C) Cases that are unassigned.

33 (4) To preserve confidentiality in the workplace, case welfare
34 managers, as designated by the ~~division of family and children~~
35 **department**, may access any case, except restricted cases
36 involving a state employee or the immediate family member of a
37 state employee who has access to the system. Access to restricted
38 information under this subdivision may be obtained only if an
39 additional level of security is implemented.

40 (5) Access to records of authorized users, including passwords, is
41 restricted to:

42 (A) users designated by the ~~division of family and children~~

C
o
p
y



department as an administrator; and

(B) the administrator's level of administration as determined by the ~~division of family and children~~ **department**.

(6) Ancillary programs that may be designed for the system may not be executed in a manner that would circumvent the system's log on security measures.

(7) Certain system functions must be accessible only to system operators with specified levels of authorization as determined by the ~~division of family and children~~ **department**.

(8) Files containing passwords must be encrypted.

(9) There must be two (2) additional levels of security for confidentiality as determined by the ~~division of family and children~~ **department**.

SECTION 130. IC 31-33-22-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) A person who intentionally communicates to:

(1) a law enforcement agency; or

~~(2) a local child protection service;~~

(2) the department;

a report of child abuse or neglect knowing the report to be false commits a Class A misdemeanor. However, the offense is a Class D felony if the person has a previous unrelated conviction for making a report of child abuse or neglect knowing the report to be false.

(b) A person who intentionally communicates to:

(1) a law enforcement agency; or

~~(2) a local child protection service;~~

(2) the department;

a report of child abuse or neglect knowing the report to be false is liable to the person accused of child abuse or neglect for actual damages. The finder of fact may award punitive damages and attorney's fees in an amount determined by the finder of fact against the person.

(c) The director ~~of the county office of family and children~~ **or the director's designee** shall, after review by the ~~county office's~~ **department's** attorney, notify the prosecuting attorney whenever the director and the ~~county office's~~ **department's** attorney have reason to believe that a person has violated this section.

(d) A person who:

(1) has reason to believe that the person is a victim of a false report of child abuse or neglect under this section; and

(2) is not named in a pending criminal charge or under investigation relating to the report;

may file a complaint with the prosecuting attorney. The prosecuting

C
o
p
y



attorney shall review the relevant child abuse or neglect records of the ~~county office of family and children~~ **department** and any other relevant evidence.

SECTION 131. IC 31-33-22-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. A person who is accused of committing child abuse or neglect is entitled to access to a report relevant to an alleged false accusation filed under this article if a court finds that the report:

- (1) is unsubstantiated; and
- (2) was intentionally communicated to a law enforcement agency or a ~~local child protection service~~ **the department** by a person who knew the report was false.

SECTION 132. IC 31-34-2-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) A person taking a child into custody under section 3 of this chapter shall make written documentation evidencing the following:

- (1) The facts establishing probable cause to believe that the child is a child in need of services.
- (2) Why the child's physical or mental condition will be seriously impaired or seriously endangered if the child is not immediately taken into custody.
- (3) Why the person is unable to obtain a court order and what steps have been taken to obtain a court order.
- (4) Why the ~~local child protection service~~ **department of child services** is unable to protect the safety of the child without taking the child into custody.
- (5) Why the person is unable to obtain the assistance of a law enforcement officer if the child is taken into custody by a probation officer or caseworker without the assistance of a law enforcement officer.

(b) The ~~division~~ **department of child services** shall create forms to be used for documentation under this section.

(c) The person taking the child into custody shall immediately forward a copy of the documentation to the ~~local~~ **department of child protection service** ~~services~~ to be included in the report required by IC 31-33-7-4.

SECTION 133. IC 31-34-2.5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) Immediately after an emergency medical services provider takes custody of a child under section 1 of this chapter, the provider shall notify the ~~local~~ **department of child protection service** ~~services~~ that the provider has taken custody of the child.

C
o
p
y



(b) The ~~local department of child protection service services~~ shall:

(1) assume the care, control, and custody of the child immediately after receiving notice under subsection (a); and

(2) not later than forty-eight (48) hours after the ~~local department of child protection service services~~ has taken custody of the child, contact the Indiana clearinghouse for information on missing children established by IC 10-13-5-5 to determine if the child has been reported missing.

SECTION 134. IC 31-34-2.5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. A child for whom the ~~local department of child protection service services~~ assumes care, control, and custody under section 2 of this chapter shall be treated as a child taken into custody without a court order, except that efforts to locate the child's parents or reunify the child's family are not necessary, if the court makes a finding to that effect under IC 31-34-21-5.6(b)(5).

SECTION 135. IC 31-34-2.5-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. Whenever a child is taken into custody without a court order under this chapter, the attorney for the ~~county office of family and children department of child services~~ shall, without unnecessary delay, request the juvenile court to:

(1) authorize the filing of a petition alleging that the child is a child in need of services;

(2) hold an initial hearing under IC 31-34-10 not later than the next business day after the child is taken into custody; and

(3) appoint a guardian ad litem for the child.

SECTION 136. IC 31-34-3-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. If a child is taken into custody under IC 31-34-2, the ~~local department of child protection service services~~ shall notify the child's custodial parent, guardian, or custodian not more than two (2) hours after the child has been taken into custody that the child has been taken into custody as the result of alleged child abuse or neglect.

SECTION 137. IC 31-34-3-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. Subject to section 3 of this chapter, if after making a reasonable effort the child's custodial parent, guardian, or custodian cannot be located, the ~~department of child protection service services~~ shall make a good faith effort, not more than six (6) hours after the child has been taken into custody, to leave written notice at the last known address of the child's custodial parent, guardian, or custodian that the child has been taken into custody.

SECTION 138. IC 31-34-3-3 IS AMENDED TO READ AS

C
o
p
y



1 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. If the custodial
 2 parent, guardian, or custodian is believed to reside outside of Indiana,
 3 the ~~local~~ **department of child protection service services** shall send
 4 written notice by certified mail to the last known address of the
 5 noncustodial parent, guardian, or custodian on the same date that the
 6 child is taken into custody. However, if the child is not taken into
 7 custody on a business day, the **department of child protection service**
 8 **services** shall send notice by certified mail on the next business day
 9 after the child is taken into custody.

10 SECTION 139. IC 31-34-3-5 IS AMENDED TO READ AS
 11 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. The ~~local~~
 12 **department of child protection service services** must have as the
 13 ~~service's~~ **department's** first priority the immediate needs of the child
 14 for medical care, shelter, food, or other crisis services.

15 SECTION 140. IC 31-34-8-4 IS AMENDED TO READ AS
 16 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) The advisement
 17 required by this section applies only to a person who:

18 (1) is named as being responsible for child abuse or neglect as the
 19 result of a substantiated report; and

20 (2) agrees to participate in a program of informal adjustment
 21 under this chapter.

22 (b) Before the person signs an agreement to participate in a program
 23 of informal adjustment, the ~~local~~ **department of child protection**
 24 ~~service services~~ shall advise the person, orally and in writing, of the
 25 extent to which information contained in the substantiated report must
 26 be entered into the child abuse registry under IC 31-33-17 if the court
 27 approves the informal adjustment under section 1 of this chapter.

28 SECTION 141. IC 31-34-8-5 IS AMENDED TO READ AS
 29 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. Whenever the court
 30 approves a program of informal adjustment arising out of a child abuse
 31 or neglect report, the ~~local~~ **department of child protection service**
 32 **services** shall transmit the report to the child abuse registry within five
 33 (5) working days as required by IC 31-33-8-13.

34 SECTION 142. IC 31-34-8-7 IS AMENDED TO READ AS
 35 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) Not later than
 36 five (5) months after a court approves a program of informal
 37 adjustment under this chapter, the ~~local~~ **department of child protection**
 38 ~~service services~~ shall file with the court a report indicating the extent
 39 of compliance with the program.

40 (b) If the court extends the period of the informal adjustment under
 41 section 6 of this chapter, the ~~local~~ **department of child protection**
 42 ~~service services~~ shall file a supplemental report not later than eleven

C
o
p
y



(11) months after the court initially approves the program of informal adjustment updating the court on the status of a person's compliance with the program.

SECTION 143. IC 31-34-24-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 18. The:

(1) juvenile court, in implementing a program of informal adjustment for a child under IC 31-34-8; and

(2) ~~local~~ **department of child protection service; services**, in proposing a voluntary services referral agreement for the benefit of a child under IC 31-33-13;

shall consider and use to the extent feasible any available services described in an early intervention plan approved under this chapter.

SECTION 144. IC 31-37-24-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 18. The:

(1) juvenile court, in implementing a program of informal adjustment for a child under IC 31-34-8; and

(2) ~~local~~ **department of child protection service; services**, in proposing a voluntary services referral agreement for the benefit of a child under IC 31-33-13;

shall consider and use to the extent feasible any available services described in an early intervention plan approved under this chapter.

SECTION 145. IC 31-39-8-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) Child abuse or neglect information may be expunged under this chapter if the probative value of the information is so doubtful as to outweigh the information's validity.

(b) Child abuse or neglect information shall be expunged if the information is determined to be unsubstantiated after:

(1) an investigation of a report of a child who may be a victim of child abuse or neglect by the **department of child protection service; services**; or

(2) a court proceeding.

SECTION 146. IC 36-2-6-4.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4.5. (a) A county executive may adopt an ordinance allowing money to be disbursed for lawful county purposes under this section.

(b) Notwithstanding IC 5-11-10, with the prior written approval of the board having jurisdiction over the allowance of claims, the county auditor may make claim payments in advance of board allowance for the following kinds of expenses if the county executive has adopted an ordinance under subsection (a):

(1) Property or services purchased or leased from the United

C
o
p
y



States government, its agencies, or its political subdivisions.

(2) License or permit fees.

(3) Insurance premiums.

(4) Utility payments or utility connection charges.

(5) General grant programs where advance funding is not prohibited and the contracting party posts sufficient security to cover the amount advanced.

(6) Grants of state funds authorized by statute.

(7) Maintenance or service agreements.

(8) Leases or rental agreements.

(9) Bond or coupon payments.

(10) Payroll.

(11) State or federal taxes.

(12) Expenses that must be paid because of emergency circumstances.

(13) Expenses described in an ordinance.

(14) Expenses incurred under a procurement contract under IC 31-33-1.5-10.

(c) Each payment of expenses under this section must be supported by a fully itemized invoice or bill and certification by the county auditor.

(d) The county executive or the county board having jurisdiction over the allowance of the claim shall review and allow the claim at its next regular or special meeting following the preapproved payment of the expense.

(e) A payment of expenses under this section must be published in the manner provided under section 3 of this chapter.

SECTION 147. THE FOLLOWING ARE REPEALED [EFFECTIVE JULY 1, 2005]: IC 6-1.1-18.6; IC 12-7-2-31.5; IC 12-7-2-31.6; IC 12-13-14.5; IC 12-17-2-4; IC 12-17-2-5; IC 12-17-2-8; IC 12-17-2-16; IC 12-19-7-5; IC 12-19-7-8; IC 12-19-7.5-7; IC 12-19-7.5-10; IC 31-33-2-1; IC 31-33-2-7.

SECTION 148. [EFFECTIVE UPON PASSAGE] (a) As used in this SECTION, "division" refers to the division of family and children established by IC 12-13-1-1.

(b) The division shall take any steps necessary to transfer, beginning July 1, 2005, the designated state agency charged with the administration of Title IV-D of the federal Social Security Act from the child support bureau established by IC 12-17-2-5 to the department of child services established by IC 31-33-1.5-2, as added by this act.

(c) If the federal government has not approved the transfer of

C
O
P
Y



1 designation described in this SECTION by July 1, 2005, the
 2 department of child services shall enforce Title IV-D under the
 3 designation of the child support bureau established by
 4 IC 12-17-2-5.

5 (d) This SECTION expires December 31, 2006.

6 SECTION 149. [EFFECTIVE JULY 1, 2005] (a) As used in this
 7 SECTION, "department" refers to the department of child
 8 services established by IC 31-33-1.5-2, as added by this act.

9 (b) On July 1, 2005, the following occur:

10 (1) The powers, duties, and functions of:

11 (A) the local, joint county, or multiple county child
 12 protection services established by IC 31-33-2-1 (before its
 13 repeal) or IC 31-33-2-7 (before its repeal);

14 (B) the child support bureau created by IC 12-17-2-5
 15 (before its repeal); and

16 (C) the division of family and children established by
 17 IC 12-13-1-1 concerning:

18 (i) foster care;

19 (ii) independent living (as described in 42 U.S.C. 677 et
 20 seq.);

21 (iii) adoption;

22 (iv) the delivery of child services (as defined in
 23 IC 12-19-7-1);

24 (v) the regulation of residential child care
 25 establishments;

26 (vi) children in need of services;

27 (vii) children psychiatric residential treatment services
 28 (as defined in IC 12-19-7.5-1); and

29 (viii) family services (as defined in IC 31-9-2-45);

30 are transferred to the department.

31 (2) A reference in the Indiana Code or a rule to:

32 (A) child protection services or local, joint county, or
 33 multiple county child protection service;

34 (B) the child support bureau or the state's Title IV-D
 35 agency; and

36 (C) the division of family and children concerning the
 37 provision of:

38 (i) foster care;

39 (ii) independent living;

40 (iii) adoption;

41 (iv) the delivery of child;

42 (v) residential child care establishment;

C
o
p
y



- 1 (vi) children in need of;
 2 (vii) children psychiatric residential treatment; and
 3 (viii) family;
 4 services;
 5 shall be construed as a reference to the department.
 6 (3) The property and records of:
 7 (A) the child protection services and local, joint county,
 8 and multiple county child protection services;
 9 (B) the child support bureau; and
 10 (C) the division of family and children concerning:
 11 (i) foster care;
 12 (ii) independent living;
 13 (iii) adoption;
 14 (iv) the delivery of child;
 15 (v) residential child care establishment; and
 16 (vi) children in need of;
 17 (vii) children psychiatric residential treatment; and
 18 (viii) family;
 19 services;
 20 are transferred to the department.
 21 (4) Any appropriations made to the office of the secretary of
 22 family and social services to administer:
 23 (A) child protection services;
 24 (B) the child support bureau or Title IV-D;
 25 (C) foster care services;
 26 (D) independent living services;
 27 (E) adoption services;
 28 (F) the delivery of child services;
 29 (G) the regulation of residential child care establishments;
 30 (H) children in need of services;
 31 (I) children psychiatric residential treatment services; and
 32 (J) family services;
 33 are transferred to the department.
 34 (5) An individual who was an employee of:
 35 (A) a local, joint county, or multiple county child
 36 protection services;
 37 (B) the child support bureau; or
 38 (C) the division of family and children or a local county
 39 office of family and children concerning:
 40 (i) foster care;
 41 (ii) independent living;
 42 (iii) adoption;

C
O
P
Y



- (iv) the delivery of child;
- (v) residential child care establishment;
- (vi) children in need of;
- (vii) children psychiatric residential treatment; and
- (viii) family;

services;

becomes an employee of the department. The employee is entitled to have the employee's service before July 1, 2005, recognized for the purposes of computing retention points under IC 4-15-2-32 if a layoff occurs and all other applicable employee benefits.

(c) This SECTION expires December 31, 2006.

SECTION 150. [EFFECTIVE JULY 1, 2005] (a) As used in this SECTION, "department" refers to the department of child services established by IC 31-33-1.5-2, as added by this act.

(b) Rules adopted before July 1, 2005, by the division of family and children concerning:

- (1) child protection services;
- (2) Title IV-D or the child support bureau;
- (3) foster care services;
- (4) independent living services;
- (5) adoption services;
- (6) the delivery of child services;
- (7) the regulation of residential child care establishments;
- (8) children in need of services;
- (9) children psychiatric residential treatment; and
- (10) family services;

are considered after June 30, 2005, rules of the department.

(c) The department shall amend references in rules to indicate that the department and not the division of family and children is the entity that administers:

- (1) child protection services;
- (2) Title IV-D;
- (3) foster care services;
- (4) independent living services;
- (5) adoption services;
- (6) the delivery of child services;
- (7) the regulation of residential child care establishments;
- (8) children in need of services;
- (9) children psychiatric residential treatment; and
- (10) family services.

(d) This SECTION expires December 31, 2006.

C
o
p
y



1 SECTION 151. [EFFECTIVE JULY 1, 2005] (a) The legislative
 2 services agency shall prepare legislation for introduction in the
 3 2006 regular session of the general assembly to make appropriate
 4 changes in statutes that are required by this act, including the
 5 review of the following cites to determine whether changes are
 6 necessary:

- 7 (1) IC 12-7-2.
- 8 (2) IC 12-13-5.
- 9 (3) IC 12-13-6.
- 10 (4) IC 12-13-7.
- 11 (5) IC 12-13-13.
- 12 (6) IC 12-13-15.
- 13 (7) IC 12-13-15.1.
- 14 (8) IC 12-17-1.
- 15 (9) IC 12-17-2.
- 16 (10) IC 12-17-3.
- 17 (11) IC 12-17-8.
- 18 (12) IC 12-17-9.
- 19 (13) IC 12-17-10.
- 20 (14) IC 12-17-11.
- 21 (15) IC 12-17-16.
- 22 (16) IC 12-17.4.
- 23 (17) IC 12-19-1.
- 24 (18) IC 12-19-2.
- 25 (19) IC 12-19-5.
- 26 (20) IC 12-19-7.
- 27 (21) IC 12-19-7.5.
- 28 (22) IC 31-19.
- 29 (23) IC 31-34-4.
- 30 (24) IC 31-34-21.
- 31 (25) IC 31-34-24.
- 32 (26) IC 31-39-2-13.5.
- 33 (27) IC 31-40-1.
- 34 (28) Any other statute needing to be changed as required by
 35 this act.

36 (b) This SECTION expires December 31, 2007.

37 SECTION 152. [EFFECTIVE JULY 1, 2005] (a) On July 1, 2005,
 38 the following occur:

- 39 (1) The division of family and children established by
 40 IC 12-13-1-1 becomes the division of family resources.
- 41 (2) The powers, duties, and functions of the division of family
 42 and children, except for the powers, duties, and functions

C
o
p
y



transferred to the department of child services established by this act, are transferred to the division of family resources.

(3) A reference in the Indiana Code or the Indiana Administrative Code to the division of family and children, except as changed by this act, shall be construed as a reference to the division of family resources.

(4) The property and records of the division of family and children, except for the property and records transferred by this act to the department of child services, are transferred to the division of family resources.

(5) Any appropriations made to the division of family and children, except for an appropriation concerning a power, duty, or function transferred to the department of child services under this act, are transferred to the division of family resources.

(6) An individual who is an employee of the division of family and children, except for an employee who is transferred to the department of child services under this act, becomes an employee of the division of family resources. The employee is entitled to have the employee's service before July 1, 2005, recognized for the purposes of computing retention points under IC 4-15-2-32 if a layoff occurs and all other applicable employee benefits.

(7) Rules adopted by the division of family and children before July 1, 2005, except for a rule concerning a power, duty, or function transferred to the department of child services under this act, are considered after June 30, 2005, to be rules of the division of family resources.

(8) The division of family resources shall amend references to the division of family and children in rules adopted by the division of family and children before July 1, 2005, to reflect the change described in subdivision (1).

(b) This SECTION expires December 31, 2009.

SECTION 153. [EFFECTIVE JULY 1, 2005] The amendments to IC 12-19-7 and IC 12-19-7.5 by this act apply only to property taxes first due and payable after December 31, 2005.

SECTION 154. [EFFECTIVE UPON PASSAGE] (a) As used in this SECTION, "committee" refers to the select committee on the reorganization of child services established by this SECTION.

(b) There is established the select committee on the reorganization of child services. The committee shall study the organization of child services provided in this state and consider

**C
o
p
y**



1 which is the proper agency to administer each program that has an
 2 impact on services for children. The duties of the committee
 3 include the following:

4 (1) Studying and making recommendations concerning the
 5 means in which the department of child services and the office
 6 of the secretary of family and social services shall cooperate
 7 in providing child services.

8 (2) Studying and making recommendations concerning the
 9 determination of the proper agency:

10 (A) to administer specific child service programs; and

11 (b) to employ the individuals providing child services.

12 (3) Studying and making a recommendation concerning the
 13 proper organization of the department of child services
 14 established by this act to deliver services for children on a
 15 statewide basis.

16 (4) Studying any other matter the committee determines is
 17 relevant to the reorganization of child services in the state.

18 (5) Studying the efficient provision of administrative functions
 19 used by more than one (1) agency providing child services.

20 (c) The committee shall consist of the following members:

21 (1) Two (2) legislators appointed by the president pro tempore
 22 of the senate. Members appointed under this subdivision may
 23 not be members of the same political party.

24 (2) Two (2) legislators appointed by the speaker of the house
 25 of representatives. Members appointed under this subdivision
 26 may not be members of the same political party.

27 (3) The secretary of family and social services.

28 (4) The director of the department of child services appointed
 29 under IC 31-33-1.5-2, as added by this act.

30 (5) Three (3) directors of county offices of family and children
 31 appointed as follows:

32 (A) One (1) director appointed by the secretary of family
 33 and social services.

34 (B) One (1) director appointed by the director of the
 35 department of child services.

36 (C) One (1) director appointed by the governor.

37 (6) One (1) guardian ad litem appointed by the governor.

38 (7) One (1) school superintendent appointed by the governor.

39 The president pro tempore of the senate shall appoint a member
 40 described in subdivision (1) as chairperson of the committee.

41 (d) The committee shall operate under the policies governing
 42 study committees adopted by the legislative council.

C
O
P
Y



1 (e) The affirmative votes of a majority of the voting members
2 appointed to the committee are required for the committee to take
3 action on any measure, including the final report.

4 (f) The final report of the committee must be submitted to the
5 legislative council in electronic format under IC 5-14-6 not later
6 than December 1, 2005.

7 (g) This SECTION expires December 31, 2005.
8 SECTION 155. An emergency is declared for this act.

**C
o
p
y**



COMMITTEE REPORT

Madam President: The Senate Committee on Health and Provider Services, to which was referred Senate Bill No. 529, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 4, delete lines 23 through 28, begin a new paragraph and insert:

"SECTION 12. IC 31-9-2-40 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 40. "Director", for purposes of IC 31-33, IC 31-34, and IC 31-37, refers to the director of the ~~division of family and children~~ **department of child services**.

SECTION 13. IC 31-16-15-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) In a proceeding under IC 31-14 or IC 31-16-2 through IC 31-16-12 to establish, modify, or enforce a child support order, the court shall:

- (1) enter an order for immediate income withholding; and
- (2) modify any previously issued income withholding order that has not been activated under this chapter to provide for immediate income withholding.

(b) The court shall issue the income withholding order to the income payor not later than fifteen (15) calendar days after the court's determination.

(c) The income withholding order must order income payors to send to the ~~clerk of the court~~ **state central collection unit** or other person specified in the support order under:

- (1) IC 31-14-11-11;
- (2) IC 31-16-4; or
- (3) IC 31-16-9;

the amount of income established by the court for child support at the time the order for child support is established, enforced, or modified.

(d) However, the court shall issue an income withholding order that will not become activated except upon the occurrence of the two (2) conditions described in section 2 of this chapter if:

- (1) the parties submit a written agreement providing for an alternative child support arrangement; or
- (2) the court determines that good cause exists not to require immediate income withholding.

(e) A finding of good cause under subsection (d)(2) must:

- (1) be written; and
- (2) include:
 - (A) all reasons why immediate income withholding is not in

C
o
p
y



the best interests of the child; and

(B) if the case involves a modification of support, a statement that past support has been timely paid.

(f) The income withholding order must contain a statement that if the withholding order is activated, income payors will be ordered to send to the ~~clerk of the court~~ **state central collection unit** or other person specified in the support order under:

- (1) IC 31-14-11-11;
- (2) IC 31-16-4; or
- (3) IC 31-16-9;

the amount of income established by the court for child support.

SECTION 14. IC 31-16-15-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) This section applies to the implementation of income withholding under an order issued under sections 1 and 3 of this chapter.

(b) If the Title IV-D agency or the court becomes aware that the obligor has an income payor to whom a notice has not been sent under subsection (c) or an income payor to whom notice of delinquent support has not been sent under subsection (c):

- (1) the Title IV-D agency in a case arising under Title IV-D of the federal Social Security Act (42 U.S.C. 651 through 669); or
- (2) the court;

shall not later than fifteen (15) calendar days after becoming aware of an income payor send a written notice to the income payor that the withholding is binding on the income payor.

(c) The notice to an income payor under this section must contain a statement of the following:

- (1) That the income payor is required to withhold a certain amount of income from the obligor.
- (2) That the total amount to be withheld under court order by the obligor's income payor from the obligor's income is the sum of:
 - (A) the obligor's current child support obligation;
 - (B) an amount to be applied toward the liquidation of any arrearages; and
 - (C) an optional fee of two dollars (\$2), which is payable to and imposed at the option of the income payor, each time the income payor forwards income to the ~~clerk of the court~~ **state central collection unit** or other person specified in the notice; up to the maximum amount permitted under 15 U.S.C. 1673(b).
- (3) That the income payor shall:
 - (A) forward the withheld income described in subdivision (2)(A) and (2)(B) to the ~~clerk of the court~~ **state central**

C
o
p
y



collection unit or other person named in the notice at the same time that the obligor is paid; and

(B) include a statement identifying:

- (i) each cause number;
- (ii) the name of each obligor; and
- (iii) the name of each payee with the withheld income forwarded by the income payor.

(4) That withholding is binding upon the income payor until further notice from a Title IV-D agency.

(5) That the obligor may recover from the income payor in a civil action an amount not less than one hundred dollars (\$100) if the income payor:

- (A) discharges the obligor from employment;
- (B) refuses the obligor employment; or
- (C) disciplines the obligor;

solely because the income payor is required to forward income under this chapter.

(6) That the income payor is liable for any amount that the income payor fails to forward under this chapter.

(7) That withholding under this chapter has priority over any secured or unsecured claim on income except claims for federal, state, and local taxes.

(8) That, if the income payor is required to withhold income from more than one (1) obligor, the income payor may:

- (A) combine in a single payment the withheld amounts for all obligors who have been ordered to pay the ~~same clerk state~~ **central collection unit** or other governmental agency; and
- (B) separately identify the part of the single payment that is attributable to each individual obligor.

(9) That if:

- (A) there is more than one (1) order for withholding against a single obligor; and
- (B) the obligor has insufficient disposable earnings to pay the amount required by all the orders;

the income payor shall distribute the withheld earnings pro rata among the entities entitled to receive earnings under the orders, giving priority to a current support withholding order. The income payor shall honor all withholdings to the extent that the total amount withheld does not exceed the limits imposed under 15 U.S.C. 1673(b).

(10) That the income payor shall implement withholding not later than the first pay date after fourteen (14) days following the date

C
o
p
y



the notice was received.

(11) That the income payor shall:

(A) notify:

(i) the Title IV-D agency if the Title IV-D agency gives the notice under this section; or

(ii) the court if the court gives the notice under this section; when the obligor ceases employment or no longer receives income not later than ten (10) days after the employment or income ceases; and

(B) provide:

(i) the obligor's last known address; and

(ii) the name and address of the obligor's new income payor, if known.

SECTION 15. IC 31-16-15-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. (a) Whenever an income withholding order is to be:

- (1) activated in a case arising under section 5 of this chapter; or
- (2) implemented by a Title IV-D agency under section 3 of this chapter despite the absence of a withholding order in the support order;

the Title IV-D agency shall send a written notice to the obligor.

(b) The notice required under subsection (a) must contain a statement of the following:

- (1) Whether the obligor is delinquent in the payment of child support.
- (2) The amount of child support, if any, that the obligor is in arrears.
- (3) That a certain amount of income is to be:
 - (A) withheld under court order or action by the Title IV-D agency from the obligor's income; and
 - (B) forwarded to the ~~clerk of the court~~ **state central collection unit or other person named in the notice.**
- (4) That the total amount to be withheld under court order or action by the Title IV-D agency by the obligor's income payor from the obligor's income is the sum of:
 - (A) the obligor's current monthly child support obligation;
 - (B) an amount to be applied toward the liquidation of any arrearages; and
 - (C) an optional fee of two dollars (\$2), which is payable to and imposed at the option of the income payor, each time the income payor forwards income to the clerk of the court or other person specified in the notice to the income payor under

C
O
P
Y



this chapter;

up to the maximum amount permitted under 15 U.S.C. 1673(b).

(5) That the provision for withholding applies to the receipt of any current or subsequent income.

(6) That the only basis for contesting activation of income withholding is a mistake of fact.

(7) That an obligor may contest the Title IV-D agency's determination to activate income withholding by making written application to the Title IV-D agency not later than twenty (20) days after the date the notice is mailed.

(8) That if the obligor contests the Title IV-D agency's determination to activate the income withholding order, the Title IV-D agency shall schedule an administrative hearing.

(9) That if the obligor does not contest the Title IV-D agency's determination to activate the income withholding order, the Title IV-D agency will activate income withholding.

(10) That income withholding will continue until a court or the Title IV-D agency terminates activation of income withholding.

SECTION 16. IC 31-16-15-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. (a) If a petition to activate an income withholding order is filed under section 6(2) or 6(3) of this chapter, the court shall set a date for a hearing on the petition that is not later than twenty (20) days after the date the petition is filed. The court shall send a summons and a written notice to the obligor. The notice must contain a statement of the following:

(1) Whether the obligor is delinquent in the payment of child support.

(2) The amount of child support, if any, that the obligor is in arrears.

(3) That a certain amount for the payment of current and past due child support is to be withheld each month from the obligor's income and forwarded to the ~~clerk of the court~~ **state central collection unit or other person named in the notice.**

(4) That the total amount to be withheld each month by the obligor's income payor from the obligor's income is the sum of:

(A) the obligor's current monthly child support obligation;

(B) an amount to be applied toward the liquidation of any arrearages; and

(C) an optional fee of two dollars (\$2), which is payable to and imposed at the option of the income payor, each time the income payor forwards income to the ~~clerk of the court~~ **state central collection unit or other person named in the notice;**

C
o
p
y



up to the maximum amount permitted under 15 U.S.C. 1673(b).

(5) That the provision for withholding applies to receipt of any current or subsequent income.

(6) That any of the following constitutes a basis for contesting the withholding:

(A) A mistake of fact.

(B) The parties have submitted a written agreement providing for an alternative child support arrangement.

(C) A court determines that good cause exists not to require immediate income withholding.

(7) That income withholding will continue until the activation of the income withholding order is terminated by the court.

(8) That if the obligor does not appear at the hearing, the court will activate the income withholding order.

(b) If:

(1) the obligor does not appear at the hearing on the petition filed under section 6(2) or 6(3) of this chapter; or

(2) the court grants the petition;

the court shall activate the income withholding order by mailing a written notice to the income payor as provided in section 10 of this chapter.

SECTION 17. IC 31-16-15-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10. (a) To activate or implement an income withholding order, in addition to the notice requirements imposed by sections 7 and 8 of this chapter:

(1) the Title IV-D agency in a case arising under section 3 or 5 of this chapter; or

(2) the court in a case arising under section 6 of this chapter;

shall mail a written notice to each income payor not later than fifteen (15) calendar days after the issuance of the income withholding order.

(b) The notice to each income payor must contain a statement of the following:

(1) That the income payor is required to withhold a certain amount of income from the obligor.

(2) That the total amount to be withheld each month by the obligor's income payor from the obligor's income is the sum of:

(A) the obligor's current monthly child support obligation;

(B) an amount to be applied toward the liquidation of any arrearages; and

(C) an optional fee of two dollars (\$2), which is payable to and imposed at the option of the income payor, each time the income payor forwards income to the ~~clerk of the court~~; state

C
o
p
y



central collection unit or other person named in the notice;
up to the maximum amount permitted under 15 U.S.C. 1673(b).

(3) That the income payor shall:

(A) forward the withheld income described in subdivision (2)(A) and (2)(B) to the ~~clerk of the court~~ or the state central collection unit **or other person** named in the notice at the same time that the obligor is paid; and

(B) include a statement identifying:

- (i) each cause number;
- (ii) the Indiana support enforcement tracking system (SETS) case number;
- (iii) the name of each obligor; ~~and~~
- (iv) the name of each payee with the withheld income forwarded by the income payor; **and**

(v) the obligor's Social Security number.

(4) That withholding is binding upon the income payor until further notice.

(5) That the obligor may recover from the income payor in a civil action an amount not less than one hundred dollars (\$100) if the income payor:

- (A) discharges the obligor from employment;
- (B) refuses the obligor employment; or
- (C) disciplines the obligor;

because the income payor is required to forward income under this chapter.

(6) That the income payor is liable for any amount that the income payor fails to forward under this chapter.

(7) That withholding under this chapter has priority over any secured or unsecured claim on income except claims for federal, state, and local taxes.

(8) That, if the income payor is required to withhold income from more than one (1) obligor, the income payor may:

- (A) combine in a single payment the withheld amounts for all obligors who have been ordered to pay the ~~same clerk state~~ **central collection unit** or other governmental agency; and
- (B) separately identify the part of the single payment that is attributable to each individual obligor.

(9) That if:

- (A) there is more than one (1) order for withholding against a single obligor; and
- (B) the obligor has insufficient disposable earnings to pay the amount required by all the orders;

C
O
P
Y



the income payor shall distribute the withheld earnings pro rata among the entities entitled to receive earnings under the orders, giving priority to a current support withholding order, and shall honor all withholdings to the extent that the total amount withheld does not exceed the limits imposed under 15 U.S.C. 1673(b).

(10) That the income payor shall implement withholding not later than the first pay date after fourteen (14) days following the date the notice was received.

(11) That the income payor shall:

(A) notify:

(i) the Title IV-D agency in a case arising under section 5 of this chapter; or

(ii) the court in a case arising under section 1 or 6 of this chapter;

when the obligor terminates employment or ceases to receive other income not later than ten (10) days after termination; and

(B) provide:

(i) the obligor's last known address; and

(ii) the name and address of the obligor's new income payor if known.

SECTION 18. IC 31-16-15-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 15. (a) An income payor that is required to withhold income under this chapter shall:

(1) forward income withheld for the payment of current and past due child support to the ~~clerk of the court~~, the state central collection unit or other person named in the notice at the same time that the obligor is paid;

(2) include a statement identifying:

(A) each cause number;

(B) the Indiana support enforcement tracking system (ISETS) case number;

(C) the name of each obligor **and the obligor's Social Security number**; and

(D) the name of each payee with the withheld income forwarded by the income payor; and

(3) implement withholding not later than the first pay date after fourteen (14) days following the date the notice was received.

(b) The income payor may retain, in addition to the amount required to be forwarded to the ~~clerk of court~~ **state central collection unit** under subsection (a), a fee of two dollars (\$2) from the obligor's income each time the income payor forwards income to the ~~clerk of the court~~ **state central collection unit** or other person specified in the

C
o
p
y



notice to an income payor under this chapter. If the income payor elects to withhold the fee, the amount to be withheld for the payment of current and past due child support must be reduced accordingly if necessary to avoid exceeding the maximum amount permitted to be withheld under 15 U.S.C. 1673(b).

SECTION 19. IC 31-16-15-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 16. (a) Except as provided in subsection (b), if the income payor is required to withhold income from more than one (1) obligor under this chapter, the income payor may:

- (1) combine in a single payment the withheld amounts for all obligors who have been ordered to pay to the ~~same clerk state~~ **central collection unit** or other governmental agency; and
- (2) separately identify the part of the single payment that is attributable to each individual obligor.

(b) If the income payor:

- (1) is required to withhold income from more than one (1) obligor under this chapter; and
- (2) employs more than fifty (50) employees;

the income payor shall make payments to the state central collection unit through electronic funds transfer.

(c) The department of child services shall assess a civil penalty of twenty-five dollars (\$25) per obligor per pay period against an income payor that:

- (1) is required to make a payment through electronic funds transfer under subsection (b); and**
- (2) does not make the payment through electronic funds transfer.**

The department shall deposit the penalties into the state general fund."

Page 42, between lines 31 and 32, begin a new paragraph and insert the following:

"SECTION 113. [EFFECTIVE JULY 1, 2005] (a) On July 1, 2005, the following occur:

- (1) The division of family and children established by IC 12-13-1-1 becomes the division of family resources.**
- (2) The powers, duties, and functions of the division of family and children are transferred to the division of family resources.**
- (3) A reference in the Indiana Code or the Indiana Administrative Code to the division of family and children shall be construed as a reference to the division of family**

C
o
p
y



resources.

(4) The property and records of the division of family and children are transferred to the division of family resources.

(5) Any appropriations made to the division of family and children are transferred to the division of family resources.

(6) An individual who is an employee of the division of family and children becomes an employee of the division of family resources. The employee is entitled to have the employee's service before July 1, 2005, recognized for the purposes of computing retention points under IC 4-15-2-32 if a layoff occurs and all other applicable employee benefits.

(7) Rules adopted by the division of family and children before July 1, 2005, are considered after June 30, 2005, to be rules of the division of family resources.

(8) The division of family resources shall amend references to the division of family and children in rules adopted by the division of family and children before July 1, 2005, to reflect the change described in subdivision (1).

(b) The legislative services agency shall prepare legislation for introduction in the 2006 regular session of the general assembly to make appropriate changes in statutes that are required as a result of the occurrences described in this SECTION.

(c) This SECTION expires December 31, 2009."

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass and be reassigned to the Senate Committee on Tax and Fiscal Policy.

(Reference is to SB 529 as introduced.)

MILLER, Chairperson

Committee Vote: Yeas 10, Nays 0.

C
O
P
Y



COMMITTEE REPORT

Madam President: The Senate Committee on Tax and Fiscal Policy, to which was referred Senate Bill No. 529, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 4-21.5-2-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 6. (a) This article does not apply to the formulation, issuance, or administrative review (but does, except as provided in subsection (b), apply to the judicial review and civil enforcement) of any of the following:

(1) Except as provided in IC 12-17.2-4-18.7 and IC 12-17.2-5-18.7, determinations by the division of family ~~and children~~ **resources and the department of child services.**

(2) Determinations by the alcohol and tobacco commission.

(3) Determinations by the office of Medicaid policy and planning concerning recipients and applicants of Medicaid. However, this article does apply to determinations by the office of Medicaid policy and planning concerning providers.

(4) A final determination of the Indiana board of tax review.

(b) IC 4-21.5-5-12 and IC 4-21.5-5-14 do not apply to judicial review of a final determination of the Indiana board of tax review.

SECTION 2. IC 5-22-4-9 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: **Sec. 9. The department of child services is the purchasing agency for services procured by the department under IC 31-33-1.5-10.**

SECTION 3. IC 6-1.1-17-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) The proper officers of a political subdivision shall formulate its estimated budget and its proposed tax rate and tax levy on the form prescribed by the department of local government finance and approved by the state board of accounts. The political subdivision shall give notice by publication to taxpayers of:

- (1) the estimated budget;
- (2) the estimated maximum permissible levy;
- (3) the current and proposed tax levies of each fund; and
- (4) the amounts of excessive levy appeals to be requested.

In the notice, the political subdivision shall also state the time and place at which a public hearing will be held on these items. The notice shall be published twice in accordance with IC 5-3-1 with the first

C
o
p
y



publication at least ten (10) days before the date fixed for the public hearing.

(b) The board of directors of a solid waste management district established under IC 13-21 or IC 13-9.5-2 (before its repeal) may conduct the public hearing required under subsection (a):

- (1) in any county of the solid waste management district; and
- (2) in accordance with the annual notice of meetings published under IC 13-21-5-2.

(c) The trustee of each township in the county shall estimate the amount necessary to meet the cost of ~~poor relief township assistance~~ in the township for the ensuing calendar year. The township board shall adopt with the township budget a tax rate sufficient to meet the estimated cost of ~~poor relief:~~ **township assistance**. The taxes collected as a result of the tax rate adopted under this subsection are credited to the township ~~poor relief assistance~~ fund.

(d) **A county shall adopt with the county budget, a tax rate sufficient to raise the levy certified by the department of child services for the following:**

- (1) **The family and children's fund.**
- (2) **The children's psychiatric residential treatment services fund.**

SECTION 4. IC 6-1.1-17-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 14. The county auditor shall initiate an appeal to the department of local government finance if the county board of tax adjustment reduces:

- (1) a ~~poor relief township assistance~~ tax rate below the rate necessary to meet the estimated cost of ~~poor relief:~~ **township assistance**;
- (2) a ~~family and children's fund~~ tax rate below the rate necessary to collect the levy certified by the department of child services; or
- (3) a ~~children's psychiatric residential treatment services fund~~ tax rate below the rate necessary to collect the levy certified by the department of child services.

SECTION 5. IC 6-3.5-6-18.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 18.5. (a) This section applies to a county containing a consolidated city.

(b) Notwithstanding section 18(e) of this chapter, the distributive shares that each civil taxing unit in a county containing a consolidated city is entitled to receive during a month equals the following:

- (1) For the calendar year beginning January 1, 1995, calculate the total amount of revenues that are to be distributed as distributive

C
o
p
y



shares during that month multiplied by the following factor:

Center Township	.0251
Decatur Township	.00217
Franklin Township	.0023
Lawrence Township	.01177
Perry Township	.01130
Pike Township	.01865
Warren Township	.01359
Washington Township	.01346
Wayne Township	.01307
Lawrence-City	.00858
Beech Grove	.00845
Southport	.00025
Speedway	.00722
Indianapolis/Marion County	.86409

(2) Notwithstanding subdivision (1), for the calendar year beginning January 1, 1995, the distributive shares for each civil taxing unit in a county containing a consolidated city shall be not less than the following:

Center Township	\$1,898,145
Decatur Township	\$164,103
Franklin Township	\$173,934
Lawrence Township	\$890,086
Perry Township	\$854,544
Pike Township	\$1,410,375
Warren Township	\$1,027,721
Washington Township	\$1,017,890
Wayne Township	\$988,397
Lawrence-City	\$648,848
Beech Grove	\$639,017
Southport	\$18,906
Speedway	\$546,000

(3) For each year after 1995, calculate the total amount of revenues that are to be distributed as distributive shares during that month as follows:

STEP ONE: Determine the total amount of revenues that were distributed as distributive shares during that month in calendar year 1995.

STEP TWO: Determine the total amount of revenue that the department has certified as distributive shares for that month under section 17 of this chapter for the calendar year.

STEP THREE: Subtract the STEP ONE result from the STEP

**C
O
P
Y**



TWO result.

STEP FOUR: If the STEP THREE result is less than or equal to zero (0), multiply the STEP TWO result by the ratio established under subdivision (1).

STEP FIVE: Determine the ratio of:

(A) the maximum permissible property tax levy under IC 6-1.1-18.5, ~~and IC 6-1.1-18.6~~ **IC 12-19-7, and IC 12-19-7.5** for each civil taxing unit for the calendar year in which the month falls, plus, for a county, an amount equal to the property taxes imposed by the county in 1999 for the county's welfare fund and welfare administration fund; divided by

(B) the sum of the maximum permissible property tax levies under IC 6-1.1-18.5, ~~and IC 6-1.1-18.6~~ **IC 12-19-7, and IC 12-19-7.5** for all civil taxing units of the county during the calendar year in which the month falls, and an amount equal to the property taxes imposed by the county in 1999 for the county's welfare fund and welfare administration fund.

STEP SIX: If the STEP THREE result is greater than zero (0), the STEP ONE amount shall be distributed by multiplying the STEP ONE amount by the ratio established under subdivision (1).

STEP SEVEN: For each taxing unit determine the STEP FIVE ratio multiplied by the STEP TWO amount.

STEP EIGHT: For each civil taxing unit determine the difference between the STEP SEVEN amount minus the product of the STEP ONE amount multiplied by the ratio established under subdivision (1). The STEP THREE excess shall be distributed as provided in STEP NINE only to the civil taxing units that have a STEP EIGHT difference greater than or equal to zero (0).

STEP NINE: For the civil taxing units qualifying for a distribution under STEP EIGHT, each civil taxing unit's share equals the STEP THREE excess multiplied by the ratio of:

(A) the maximum permissible property tax levy under IC 6-1.1-18.5, ~~and IC 6-1.1-18.6~~ **IC 12-19-7, and IC 12-19-7.5** for the qualifying civil taxing unit during the calendar year in which the month falls, plus, for a county, an amount equal to the property taxes imposed by the county in 1999 for the county's welfare fund and welfare administration fund; divided by

C
o
p
y



(B) the sum of the maximum permissible property tax levies under IC 6-1.1-18.5, ~~and IC 6-1.1-18.6~~ **IC 12-19-7, and IC 12-19-7.5** for all qualifying civil taxing units of the county during the calendar year in which the month falls, and an amount equal to the property taxes imposed by the county in 1999 for the county's welfare fund and welfare administration fund.

SECTION 6. IC 12-7-2-57.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 57.5. (a) "Department", for purposes of IC 12-13-14, has the meaning set forth in IC 12-13-14-1.

(b) "Department", for purposes of IC 12-19, refers to the department of child services.

~~(b)~~ **(c)** "Department", for purposes of IC 12-20, refers to the department of local government finance established by IC 6-1.1-30-1.1.

SECTION 7. IC 12-7-2-64 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 64. "Director" refers to the following:

(1) With respect to a particular division, the director of the division.

(2) With respect to a particular state institution, the director who has administrative control of and responsibility for the state institution.

(3) For purposes of IC 12-10-15, the term refers to the director of the division of ~~disabilities~~, **disability**, aging, and rehabilitative services.

(4) For purposes of IC 12-19-5, the term refers to the director of the department of child services established by IC 31-33-1.5.

~~(4)~~ **(5)** For purposes of IC 12-25, the term refers to the director of the division of mental health and addiction.

~~(5)~~ **(6)** For purposes of IC 12-26, the term:

(A) refers to the director who has administrative control of and responsibility for the appropriate state institution; and

(B) includes the director's designee.

~~(6)~~ **(7)** If subdivisions (1) through ~~(5)~~ **(6)** do not apply, the term refers to the director of any of the divisions.

SECTION 8. IC 12-7-2-69 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 69. (a) "Division", except as provided in subsections (b) and (c), refers to any of the following:

(1) The division of disability, aging, and rehabilitative services

C
o
p
y



established by IC 12-9-1-1.

(2) The division of family ~~and children~~ **resources** established by IC 12-13-1-1.

(3) The division of mental health and addiction established by IC 12-21-1-1.

(b) The term refers to the following:

(1) For purposes of the following statutes, the division of disability, aging, and rehabilitative services established by IC 12-9-1-1:

- (A) IC 12-9.
- (B) IC 12-10.
- (C) IC 12-11.
- (D) IC 12-12.
- (E) IC 12-12.5.

(2) For purposes of the following statutes, the division of family ~~and children~~ **resources** established by IC 12-13-1-1:

- (A) IC 12-13.
- (B) IC 12-14.
- (C) IC 12-15.
- (D) IC 12-16.
- ~~(E) IC 12-17.~~
- ~~(F)~~ (E) IC 12-17.2.
- ~~(G) IC 12-17.4.~~
- ~~(H)~~ (F) IC 12-18.
- ~~(I)~~ (G) IC 12-19.
- ~~(J)~~ (H) IC 12-20.

(3) For purposes of the following statutes, the division of mental health and addiction established by IC 12-21-1-1:

- (A) IC 12-21.
- (B) IC 12-22.
- (C) IC 12-23.
- (D) IC 12-25.

(c) With respect to a particular state institution, the term refers to the division whose director has administrative control of and responsibility for the state institution.

(d) For purposes of IC 12-24, IC 12-26, and IC 12-27, the term refers to the division whose director has administrative control of and responsibility for the appropriate state institution."

Page 1, between lines 12 and 13, begin a new paragraph and insert:

"SECTION 13. IC 12-13-1-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. The division of family ~~and children~~ **resources** is established.

C
o
p
y



SECTION 14. IC 12-13-6-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. The following bureaus are established within the division:

- (1) A bureau of family independence: **child development.**
- (2) A ~~family protection~~ bureau **of economic independence.**
- (3) ~~A youth development bureau that includes a children's disabilities services unit.~~
- (4) ~~A bureau of child care services.~~
- (5) ~~A bureau of residential services.~~
- (6) ~~A bureau of family resources.~~
- (7) ~~A food stamp bureau.~~
- (8) ~~A child support bureau.~~

Page 2, line 4, strike "division" and insert "**department of child services**".

Page 2, line 6, reset in roman "child protection".

Page 2, line 7, reset in roman "caseworkers,".

Page 2, line 8, strike "and children" and insert "**resources or the**".

Page 2, line 8, reset in roman "department of".

Page 2, line 9, after "social" insert "**child**".

Page 2, line 9, reset in roman "services".

Page 2, delete lines 12 through 28.

Page 4, between lines 6 and 7, begin a new paragraph and insert:

"SECTION 19. IC 12-19-1-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. (a) Subject to the rules adopted by the director of the division, a county office shall administer the following:

- (1) Assistance to dependent children in the homes of the dependent children.
- (2) Assistance and services to elderly persons.
- (3) Assistance to persons with disabilities.
- (4) Care and treatment of the following persons:
 - (A) ~~Children in need of services.~~
 - (B) ~~(A)~~ Dependent children.
 - (C) ~~(B)~~ Children with disabilities.
- (5) Licensing of foster family homes for the placement of children in need of services.
- (6) Supervision of the care and treatment of children in need of services in foster family homes.
- (7) Licensing of foster family homes for the placement of delinquent children.
- (8) Supervision of the care and treatment of delinquent children in foster family homes.

C
o
p
y



~~(9)~~ (5) Provision of family preservation services.

~~(10)~~ (6) Any other welfare activities that are delegated to the county office by the division under this chapter, including services concerning assistance to the blind.

SECTION 20. IC 12-19-5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) In addition to the other method of welfare financing provided by this article, the ~~county director~~ **department** may ~~appeal for the right to require a county to~~ borrow money **under this chapter** on a short term basis to fund:

- (1) child services under IC 12-19-7-1;
- (2) children's psychiatric residential treatment services under IC 12-19-7.5; or
- (3) other welfare services in the county **payable from the family and children's fund or the children's psychiatric residential treatment services fund;**

if the ~~county director~~ **department** determines that the family and children's fund or the children's psychiatric residential treatment services fund will be exhausted before the end of a fiscal year.

(b) ~~In an appeal under this section;~~ **In the county director hearing required under section 2 of this chapter, the department** must **present facts that** show the following:

- (1) That the amount of money in the family and children's fund or the children's psychiatric residential treatment services fund will be insufficient to fund the appropriate services within the county under this article.
- (2) The amount of money that the ~~county director~~ **department** estimates will be needed to fund that deficit.

~~(c) The county director shall immediately transmit an appeal under this section to the director.~~

SECTION 21. IC 12-19-5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. ~~Upon receiving an appeal under section 1 of this chapter;~~ The ~~division~~ **department** shall as soon as possible do the following:

- (1) Hold a public hearing to decide if the county should ~~be allowed to~~ borrow money.
- (2) ~~Adopt~~ **Issue** a resolution at that meeting **final determination** supporting or rejecting the proposal to borrow money.
- ~~(3) Transmit the resolution to the county director.~~

SECTION 22. IC 12-19-5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. ~~(a) Upon receiving a resolution under section 2 of this chapter;~~ **If the county director shall submit the appeal and the division's resolution** **department** makes a

C
O
P
Y



final determination after a hearing to borrow money, the department shall submit a certified copy of the final determination to the county fiscal body and the county auditor. Upon receiving the appeal and the resolution, department's certified final determination, the:

- (1) county fiscal body shall ~~as soon as possible determine whether or not to loan the requested amount to the county office. vote to allow a loan to be made; and~~
- (b) ~~If the county fiscal body votes to allow a loan to be made, The~~
- (2) county auditor on behalf of the county office shall borrow the money from a financial institution.
- (c) ~~If the county fiscal body determines that the county office should not be allowed to borrow money, the county fiscal body shall inform the county director of the county fiscal body's decision.~~

SECTION 23. IC 12-19-5-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. The ~~division~~ **department** or a county fiscal body may not do the following:

- (1) Recommend or approve a request to borrow money made under this chapter unless the body determines that the family and children's fund or the children's psychiatric residential treatment services fund will be exhausted before the particular fund can fund all county obligations incurred under this article.
- (2) Recommend or approve a loan that will exceed the amount of the estimated deficit.

SECTION 24. IC 12-19-5-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. (a) ~~If a county director. money was borrowed under IC 12-1-11.5 (before its repeal) or the department:~~

- (1) appeals before August 1 of a year for permission to borrow money under this chapter;
- (2) ~~receives permission from the county fiscal body to borrow money conducts a hearing and issues a resolution to borrow money~~ before November 1 of the year; and
- (3) borrows money under IC 12-1-11.5 (before its repeal) or this chapter;

the county auditor shall levy a property tax beginning in the following year and continuing for the term of the loan.

(b) The property tax levied under subsection (a) must be in an amount each year that will be sufficient to pay the principal and interest due on the loan for the year.

(c) The levy under this section shall be retained by the county treasurer and applied by the county auditor to retire the debt.

C
o
p
y



SECTION 25. IC 12-19-5-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. (a) If ~~a county director~~, **money was borrowed under IC 12-1-11.5 (before its repeal) or the department**:

- (1) appeals after August 1 of a year for permission to borrow money;
- (2) ~~receives permission from the county fiscal body~~ **conducts a hearing and issues a resolution** to borrow money; and
- (3) borrows money in the year of the appeal under IC 12-1-11.5 (before its repeal) or this chapter;

the county auditor shall levy a property tax beginning in the second year following the year of the appeal and continuing for the term of the loan.

(b) The property tax levied under subsection (a) must be in an amount each year that will be sufficient to pay the principal and interest due on the loan for the year.

(c) The levy under this section shall be retained by the county treasurer and applied by the county auditor to retire the debt.

SECTION 26. IC 12-19-6-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) As used in this section, "indirect cost" means a cost that is not directly traceable to a particular activity undertaken in the administration of the following:

- (1) The federal Food Stamp program (7 U.S.C. 2011 et seq.).
- (2) The federal Aid to Families with Dependent Children program (42 U.S.C. 601 et seq.).
- (3) The federal Child Support Enforcement Act (42 U.S.C. 651 et seq.).

(b) The division **and the department** shall pay to each county the money paid to the state as reimbursement for the indirect costs incurred by the county and the county office.

SECTION 27. IC 12-19-7-1.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1.5. (a) The division of family and children may transfer any of the following to a county family and children's fund:

- (1) Money transferred under P.L.273-1999, SECTION 126, to the division from a county welfare fund on or after July 1, 2000, without regard to the county from which the money was transferred.
- (2) Money appropriated to the division **or department** for any of the following:
 - (A) Assistance awarded by a county to a destitute child under IC 12-17-1.

C
o
p
y



(B) Child welfare services as described in IC 12-17-3.

(C) Any other services for which the expenses were paid from a county welfare fund before January 1, 2000.

(b) Money transferred under subsection (a)(1) or (a)(2) must be used for purposes described in subsection (a)(2).

SECTION 28. IC 12-19-7-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. (a) A family and children's fund is established in each county. The fund shall be raised by a separate tax levy (the county family and children property tax levy) that:

(1) is in addition to all other tax levies authorized; and

(2) shall be levied annually by the county fiscal body on all taxable property in the county in the amount **that the department certifies is** necessary to raise the part of the fund that the county must raise to pay the items, awards, claims, allowances, assistance, and other expenses set forth in the annual budget under section 6 of this chapter.

(b) The tax imposed under this section shall be collected as other state and county ad valorem taxes are collected.

(c) The following shall be paid into the county treasury and constitute the family and children's fund:

(1) All receipts from the tax imposed under this section.

(2) All grants-in-aid, whether received from the federal government or state government.

(3) Any other money required by law to be placed in the fund.

(d) The fund is available for the purpose of paying expenses and obligations set forth in the annual budget that is submitted and approved.

(e) Money in the fund at the end of a budget year does not revert to the county general fund.

SECTION 29. IC 12-19-7-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) For taxes first due and payable in each year after ~~2003~~, **2005**, each county shall impose a county family and children property tax levy equal to the product of:

~~(1) the county family and children property tax levy imposed for taxes first due and payable in the preceding year; as that levy was determined by the department of local government finance in fixing the civil taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17 and after eliminating the effects of temporary excessive levy appeals and any other temporary adjustments made to the levy for the calendar year;~~

C
o
p
y



multiplied by

(2) the greater of:

(A) the county's assessed value growth quotient for the ensuing calendar year, as determined under IC 6-1.1-18.5-2; or

(B) one (1).

When a year in which a statewide general reassessment of real property first becomes effective is the year preceding the year that the property tax levy under this subsection will be first due and payable, the amount to be used in subdivision (2) equals the average of the amounts used in determining the two (2) most recent adjustments in the county's levy under this section. If the amount levied in a particular year exceeds the amount necessary to cover the costs payable from the fund, the levy in the following year shall be reduced by the amount of surplus money: **certified by the department for the ensuing year.**

(b) The department of local government finance shall review each county's property tax levy under this section and shall enforce the requirements of this section with respect to that levy.

SECTION 30. IC 12-19-7-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) The ~~county director;~~ **department**, upon the advice of the judges of the courts with juvenile jurisdiction in the county **and after consulting with the division of family resources**, shall annually compile and adopt a child services budget, which must be in a form prescribed by the state board of accounts. ~~The budget may not exceed the levy limitation set forth in IC 6-1.1-18.6.~~

(b) The budget must contain an estimate of the amount of money that will be needed by the ~~county office~~ **department** during the ~~fiscal~~ **ensuing** year to defray the expenses and obligations incurred by the ~~county office~~ **department** in the payment of services for children adjudicated to be children in need of services or delinquent children and other related services, but not including the payment of AFDC.

SECTION 31. IC 12-19-7-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 7. (a) The ~~county director~~ **department** shall, with the assistance of the judges of courts with juvenile jurisdiction in the county, **after consulting with the division of family resources**, and at the same time the budget is compiled and adopted, ~~recommend to the division~~ **shall establish** the tax levy that the ~~director~~ **department** and judges determine will be required to raise the amount of revenue necessary to pay the expenses and obligations of the ~~county office~~ **department** set forth in the budget under section 6 of this chapter ~~However, the tax levy may not exceed the maximum permissible levy set forth in IC 6-1.1-18.6 and the budget~~

C
o
p
y



may not exceed the levy limitation set forth in IC 6-1.1-18.

(b) After the county budget has been compiled, the county director shall submit a copy of the budget and the tax levy recommended by the county director and the judges of courts with juvenile jurisdiction in the county to the division. The division shall examine the budget and the tax levy for the purpose of determining whether, in the judgment of the division:

- (1) the appropriations requested in the budget will be adequate to defray the expenses and obligations incurred by the county office in the payment of child services for the next fiscal year; and
- (2) the tax levy recommended will yield the amount of the appropriation set forth in the budget. **after considering the estimated cash balance on December 31 of the year immediately preceding the ensuing year.**

SECTION 32. IC 12-19-7-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. The budget finally approved and the tax levy recommended by the ~~division~~ **department** shall be:

- (1) certified to the county ~~office~~; **auditor**; and
- (2) filed for consideration by the county fiscal body.

SECTION 33. IC 12-19-7-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. In September of each year, at the time provided by law, the county fiscal body shall: ~~do the following~~:

- (1) make the appropriations out of the family and children's fund; ~~that are~~:
 - (A) based on the budget as submitted; and
 - (B) necessary to maintain the child services of the county for the next fiscal year, subject to the maximum levy set forth in IC 6-1.1-18.6; **and**
- (2) levy a tax in an amount; ~~necessary to produce the appropriated money~~.

certified under section 9 of this chapter.

SECTION 34. IC 12-19-7-11.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11.1. (a) The judges of the courts with juvenile jurisdiction in the county and the ~~county director~~ **department** shall meet with the county fiscal body at a public meeting:

- (1) in April; and
 - (2) after June 30 and before October 1;
- in each year.

(b) At a meeting required in subsection (a), the ~~county director~~

C
o
p
y



department shall present to the county fiscal body and the judges the following reports:

- (1) Expenditures made:
 - (A) during the immediately preceding calendar quarter from the family and children's fund in comparison to one-fourth (1/4) of the budget and appropriations approved by the county fiscal body for the calendar year; and
 - (B) from the fund in the corresponding calendar quarter of each of the two (2) preceding calendar years.
- (2) Obligations incurred through the end of the immediately preceding calendar quarter that will be payable from the family and children's fund during the remainder of the calendar year or in any subsequent calendar year.
- (3) The number of children, by category, for whom the family and children's fund was required to provide funds for services during the immediately preceding calendar quarter, in comparison to the corresponding calendar quarter of each of the two (2) preceding calendar years.
- (4) The number and type of out-of-home placements, by category, for which the family and children's fund was required to provide funds for foster home care or institutional placement, and the average daily, weekly, or monthly cost of out of home placement care and services by category, during the immediately preceding calendar quarter, in comparison to the corresponding calendar quarter of each of the two (2) preceding calendar years.
- (5) The number of children, by category, for whom the family and children's fund was required to provide funds for services for children residing with the child's parent, guardian, or custodian (other than foster home or institutional placement), and the average monthly cost of those services, during the immediately preceding calendar quarter, in comparison to the corresponding calendar quarter for each of the two (2) preceding calendar years.
- (c) In preparing the reports described in subsection (b), the ~~county director~~ **department** may use the best information reasonably available from the records of the ~~county office~~ **department** and the county family and children's fund. ~~for calendar years before 1998.~~
- (d) At each meeting described in subsection (a), the county fiscal body, judges, and ~~county director~~ **department** may:
 - (1) discuss and suggest procedures to provide child welfare services in the most effective and cost-efficient manner; and
 - (2) consider actions needed, including revision of budgeting procedures, to eliminate or minimize any anticipated need for

C
O
P
Y



short term borrowing for the family and children's fund under any provisions of this chapter or IC 12-19-5.

SECTION 35. IC 12-19-7-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 15. (a) If at any time the ~~county director~~ **department** determines that the family and children's fund is exhausted or will be exhausted before the close of a fiscal year, the ~~county director~~ **department** shall prepare an estimate and statement showing the amount of money, in addition to the money already made available, that will be necessary to defray the expenses of the ~~county office~~ **department** and pay the obligations of the ~~county office~~ **department**, excluding administrative expenses and facilities, supplies, and equipment expenses for the ~~county office~~ **department**, in the administration of the ~~county office's~~ **department's** activities for the unexpired part of the fiscal year.

(b) The ~~county director~~ **department** shall do the following:

- (1) Certify the estimate and statement to the county executive.
- (2) File the estimate and statement with the county auditor.

SECTION 36. IC 12-19-7-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 16. (a) The county executive shall consider and act upon an estimate and statement under section 15 of this chapter at:

- (1) the county executive's regular session immediately following the filing of the estimate and statement; or
- (2) a special session that is:
 - (A) called for the purpose of considering and acting upon the estimate and statement; and
 - (B) called before the executive's regular session described in subdivision (1).

(b) The county executive shall, for and on behalf of the county, borrow sufficient money to carry out the purposes described in section 15 of this chapter if after consideration of the estimate and statement the county executive finds the following:

- (1) That the ~~county director~~ **department** has not ~~appealed~~ **certified a final determination** to borrow money under IC 12-19-5. ~~or that the appeal has been denied~~;
- (2) That the amount of money required, in addition to any money already available, to defray the expenses and pay the obligations of the ~~county office~~ **department** in the administration of the county's child services for the unexpired part of the fiscal year, is greater than the amount of money that may be advanced from the general fund of the county.

SECTION 37. IC 12-19-7-17 IS AMENDED TO READ AS

C
o
p
y



FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 17. (a) Before making a loan under section 16 of this chapter, the county executive shall record a finding that the amount of money that will be required is greater than the amount of money that may be advanced from the general fund of the county. The finding must:

- (1) set forth the estimated requirements of the ~~county office;~~ **department;** and
- (2) direct the county auditor to call the county fiscal body into special session for the purpose of considering the making of the loan.

(b) In the notice of the special session of the county fiscal body, the auditor shall include a statement of the estimated amount of the proposed loan.

SECTION 38. IC 12-19-7-19 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 19. An ordinance adopted by the county fiscal body authorizing a loan under this chapter must do the following:

- (1) Authorize the issuance of the bonds of the county to evidence the loan.
- (2) Fix the following:
 - (A) The loan's maximum amount, which may be less than the amount shown by the estimate of the ~~county director;~~ **department.**
 - (B) The number of semiannual series in which the bonds are payable, which may not exceed twenty (20).

SECTION 39. IC 12-19-7.5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. As used in this chapter, "private psychiatric residential treatment facility" means a privately owned and operated facility that:

- (1) provides inpatient treatment to individuals less than twenty-one (21) years of age for mental health conditions;
- (2) is licensed or certified by:
 - (A) the ~~division of family and children;~~ **department;** or
 - (B) the division of mental health and addiction;
 to provide children's psychiatric residential treatment services; and
- (3) is enrolled in the state Medicaid program as a provider eligible to provide children's psychiatric residential treatment services.

SECTION 40. IC 12-19-7.5-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) A children's psychiatric residential treatment services fund is established in each county. The fund shall be raised by a separate tax levy (the county

C
o
p
y



children's psychiatric residential treatment services property tax levy) that:

- (1) is in addition to all other tax levies authorized; and
- (2) shall be levied annually by the county fiscal body on all taxable property in the county in the amount **that the department certifies is** necessary to raise the part of the fund that the county must raise to pay the items, awards, claims, allowances, assistance, and other expenses set forth in the annual budget under section 8 of this chapter.
- (b) The tax imposed under this section shall be collected as other state and county ad valorem taxes are collected.
- (c) The following shall be paid into the county treasury and constitute the children's psychiatric residential treatment services fund:
 - (1) All receipts from the tax imposed under this section.
 - (2) All grants-in-aid, whether received from the federal government or state government.
 - (3) Any other money required by law to be placed in the fund.
- (d) The fund is available for the purpose of paying expenses and obligations set forth in the annual budget that is submitted and approved.
- (e) Money in the fund at the end of a budget year does not revert to the county general fund.**

SECTION 41. IC 12-19-7.5-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 6. (a) ~~For taxes first due and payable in 2004, each county must impose a county children's psychiatric residential services property tax levy equal to the amount determined using the following formula:~~

~~STEP ONE: Determine the sum of the amounts that were paid by the county minus the amounts reimbursed by the state (including reimbursements made with federal money); as determined by the state board of accounts in 2000, 2001, and 2002 for payments to facilities licensed under 470 IAC 3-13 for services that were made on behalf of the children and for which payment was made from the county family and children fund; or five percent (5%) of the average family and children budget, as determined by the department of local government finance in 2000, 2001, and 2002, whichever is greater.~~

~~STEP TWO: Subtract from the amount determined in STEP ONE the sum of the miscellaneous taxes that were allocated to the county family and children fund and used to pay the costs for providing services in facilities licensed under 470 IAC 3-13 in 2000, 2001, and 2002.~~



C
o
p
y

STEP THREE: Divide the amount determined in STEP TWO by three (3):

STEP FOUR: Calculate the STEP ONE amount and the STEP TWO amount for 2002 expenses only:

STEP FIVE: Adjust the amounts determined in STEP THREE and STEP FOUR by the amount determined by the department of local government finance under subsection (c):

STEP SIX: Determine whether the amount calculated in STEP THREE, as adjusted in STEP FIVE, or the amount calculated in STEP FOUR, as adjusted in STEP FIVE, is greater. Multiply the greater amount by the assessed value growth quotient determined under IC 6-1.1-18.5-2 for the county for property taxes first due and payable in 2003:

STEP SEVEN: Multiply the amount determined in STEP SIX by the county's assessed value growth quotient for property taxes first due and payable in 2004, as determined under IC 6-1.1-18.5-2:

(b) For taxes first due and payable in each year after 2004, 2005, each county shall impose a county children's psychiatric residential treatment services property tax levy equal to the product of:

(1) the county children's psychiatric residential treatment services property tax levy imposed for taxes first due and payable in the preceding year, as that levy was determined by the department of local government finance in fixing the civil taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17 and after eliminating the effects of temporary excessive levy appeals and any other temporary adjustments made to the levy for the calendar year; multiplied by

(2) the greater of:

(A) the county's assessed value growth quotient for the ensuing calendar year, as determined under IC 6-1.1-18.5-2; or

(B) one (1):

When a year in which a statewide general reassessment of real property first becomes effective is the year preceding the year that the property tax levy under this subsection will be first due and payable, the amount to be used in subdivision (2) equals the average of the amounts used in determining the two (2) most recent adjustments in the county's levy under this section. If the amount levied in a particular year exceeds the amount necessary to cover the costs payable from the fund, the levy in the following year shall be reduced by the amount of surplus money:

(c) For taxes first due and payable in 2004, the department of local government finance shall adjust the levy for each county to reflect the county's actual expenses incurred in providing services to children in

C
o
p
y



facilities licensed under 470 IAC 3-13 in 2000, 2001, and 2002. In making this adjustment, the department of local government finance may consider all relevant information, including the county's use of bond and loan proceeds to pay these expenses: **certified by the department for the ensuing year.**

(~~d~~) (b) The department of local government finance shall review each county's property tax levy under this section and shall enforce the requirements of this section with respect to that levy.

SECTION 42. IC 12-19-7.5-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 8. (a) For purposes of this section, "expenses and obligations incurred by the ~~county office~~ **department**" include all anticipated costs of children's residential psychiatric services that are equal to the state share of the cost of those services that are reimbursable under the state Medicaid plan.

(b) The ~~county director~~, **department**, upon the advice of the judges of the courts with juvenile jurisdiction in the county **and after consulting with the division of family resources**, shall annually compile and adopt a children's psychiatric residential treatment services budget, which must be in a form prescribed by the state board of accounts. ~~The budget may not exceed the levy limitation set forth in IC 6-1.1-18.6.~~

(c) The budget must contain an estimate of the amount of money that will be needed by the ~~county office~~ **department** during the fiscal year to defray the expenses and obligations incurred by the ~~county office~~ **department** in the payment of children's psychiatric residential treatment services for children who are residents of the county.

SECTION 43. IC 12-19-7.5-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 9. (~~a~~) The ~~county director~~ **department** shall, with the assistance of the judges of courts with juvenile jurisdiction in the county, **after consulting with the division of family resources**, and at the same time the budget is compiled and adopted, ~~recommend to the division~~ **shall establish** the tax levy that the director and judges determine will be required to raise the amount of revenue necessary to pay the expenses and obligations of the county office set forth in the budget under section 8 of this chapter. ~~However, the tax levy may not exceed the maximum permissible levy set forth in IC 6-1.1-18.6; and the budget may not exceed the levy limitation set forth in IC 6-1.1-18.~~

(b) After the county budget has been compiled, the county director shall submit a copy of the budget and the tax levy recommended by the county director and the judges of courts with juvenile jurisdiction in the county to the division. The division shall examine the budget and the

C
o
p
y



tax levy for the purpose of determining whether, in the judgment of the division:

- (1) the appropriations requested in the budget will be adequate to defray the expenses and obligations incurred by the county office in the payment of children's psychiatric residential treatment services for the next fiscal year; and
- (2) the tax levy recommended will yield the amount of the appropriation set forth in the budget.

SECTION 44. IC 12-19-7.5-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. The budget **and tax levy** finally approved ~~and the tax levy recommended~~ by the ~~division~~ **department** shall be:

- (1) certified to the county ~~office~~; **auditor**; and
- (2) filed ~~for consideration by~~ **with** the county fiscal body.

SECTION 45. IC 12-19-7.5-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 14. (a) If at any time the ~~county director~~ **department** determines that the children's psychiatric residential treatment services fund is exhausted or will be exhausted before the close of a fiscal year, the ~~county director~~ **department** shall prepare an estimate and statement showing the amount of money, in addition to the money already made available, that will be necessary to defray the expenses of the county office and pay the obligations of the ~~county office~~, **department**, excluding administrative expenses and facilities, supplies, and equipment expenses for the ~~county office~~, **department**, in the administration of the ~~county office's~~ **department's** activities for the unexpired part of the fiscal year.

(b) The ~~county director~~ **department** shall do the following:

- (1) Certify the estimate and statement to the county executive.
- (2) File the estimate and statement with the county auditor.

SECTION 46. IC 12-19-7.5-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 15. (a) The county executive shall consider and act upon an estimate and statement under section 14 of this chapter at:

- (1) the county executive's regular session immediately following the filing of the estimate and statement; or
- (2) a special session that is:
 - (A) called for the purpose of considering and acting upon the estimate and statement; and
 - (B) called before the executive's regular session described in subdivision (1).

(b) The county executive shall, for and on behalf of the county,

C
o
p
y



borrow sufficient money to carry out the purposes described in section 14 of this chapter if after consideration of the estimate and statement the county executive finds the following:

- (1) That the ~~county director~~ **department** has not ~~appealed~~ **certified a final determination** to borrow money under IC 12-19-5. ~~or that the appeal has been denied.~~
- (2) That the amount of money required, in addition to any money already available, to defray the expenses and pay the obligations of the county office in the administration of the county's children's psychiatric residential treatment services for the unexpired part of the fiscal year is greater than the amount of money that may be advanced from the general fund of the county.

SECTION 47. IC 12-19-7.5-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 18. An ordinance adopted by the county fiscal body authorizing a loan under this chapter must do the following:

- (1) Authorize the issuance of the bonds of the county to evidence the loan.
- (2) Fix the following:
 - (A) The loan's maximum amount, which may **not** be less than the amount shown by the estimate of the ~~county director~~ **department**.
 - (B) The number of semiannual series in which the bonds are payable, which may not exceed twenty (20).

SECTION 48. IC 12-19-7.5-33 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 33. (a) A county auditor shall annually, not before January 1 and not later than March 31, determine the amount of any excess funds available in the county children's psychiatric treatment services fund based on the following formula:

STEP ONE: Determine the ending cash balance in the fund ~~in~~ **for** the preceding fiscal year.

STEP TWO: Calculate one-half (**1/2**) of the actual cost of providing children's psychiatric treatment services **for the preceding fiscal year**.

STEP THREE: Subtract the amount determined in STEP TWO from the amount determined in STEP ONE.

~~(b) The county auditor shall transfer the amount determined in subsection (a) STEP THREE, if any, from the county children's psychiatric treatment services fund to the county general fund to be used to pay for the part of the care and maintenance of the inmates of the Plainfield juvenile correctional facility and the Indianapolis~~

C
o
p
y



juvenile correctional facility that is charged back to the counties.

(b) If the county has a debt for juvenile per diem under IC 11-10-2-3, as determined by the budget agency, the lesser of the amount determined in subsection (a) STEP THREE, or the actual debt shall be paid to the state within forty-five (45) days. If the county does not have juvenile debt, the funds remain in the children's psychiatric treatment services fund. Funds remaining in the children's psychiatric treatment services fund will be considered excess and used to reduce the succeeding year's levy."

Page 4, line 22, after "of" insert "IC 31-19,".

Page 4, line 22, after "IC 31-33," insert "IC 31-34, and IC 31-40,".

Page 4, between lines 26 and 27, begin a new paragraph and insert:

"SECTION 52. IC 31-9-2-130 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 130. "Title IV-D agency" means:

(1) the child support bureau created within the division of family and children as the single state agency to administer the child support provisions of Title IV-D of the federal Social Security Act (42 U.S.C. 651 through 669);

(1) the department of child services; or

(2) a designated agent of the bureau department described in subdivision (1)."

Page 13, line 34, delete "The".

Page 13, delete lines 35 through 36.

Page 13, line 37, delete "One (1) time every six (6) months," and insert "**Before December 1 of each year,**".

Page 14, between lines 1 and 2, begin a new line block indented and insert:

"(1) Indicate the department's progress in recruiting, training, and retaining case workers."

Page 14, line 2, delete "(1)" and insert "(2)".

Page 14, line 4, delete "(2)" and insert "(3)".

Page 14, line 5, delete "that" and insert "**established by the department.**".

Page 14, delete line 6.

Page 14, line 7, delete "(3)" and insert "(4)".

Page 14, line 7, delete "indication under subdivision (2) is affirmative," and insert "**report indicates that average caseloads exceed caseload standards,**".

Page 14, line 8, delete "for making the statewide caseload" and insert "**that indicates the steps that are being taken to reduce caseloads.**".

C
o
p
y



Page 14, delete lines 9 through 10.

Page 14, line 11, delete "(4)" and insert "(5)".

Page 14, line 15, delete "services." and insert "**services under IC 31-33.**

(2) Providing and administering child abuse and neglect prevention services.

(3) Providing and administering child services (as defined in IC 12-19-7-1).

(4) Providing and administering family services (as defined in IC 31-9-2-45).

(5) Providing family preservation services under IC 12-14-25.5.

(6) Regulating and licensing the following under IC 12-17.4:

(A) Child caring institutions.

(B) Foster family homes.

(C) Group homes.

(D) Child placing agencies."

Page 14, line 16, delete "(2)" and insert "(7)".

Page 14, line 19, delete "(3)" and insert "(8)".

Page 14, line 20, delete "(4)" and insert "(9)".

Page 14, line 21, delete "670" and insert "677".

Page 14, line 22, delete "(5)" and insert "(10)".

Page 16, between lines 9 and 10, begin a new paragraph and insert:

"Sec. 10. (a) The department may establish a program to procure any of the services described in section 7 of this chapter under a procurement agreement administered by the department. The department may enter into procurement agreements that cover the delivery of one (1) or more categories of services to all of the counties in a region determined by the department. An agreement may provide for payment from state funds appropriated for the purpose or direct billing of services to the county receiving the service.

(b) If the department enters into a procurement agreement covering a county, the county, including the county's juvenile court, shall procure all services covered by the procurement agreement in accordance with the regional procurement agreement and the policies prescribed by the department. With the approval of the department, a county may utilize services from an alternate provider.

(c) The costs incurred under a procurement agreement shall be shared by the counties covered by the procurement agreement. The department shall allocate the costs of a regional procurement

**C
o
p
y**



agreement among the counties covered by the agreement in proportion to the use of the services by each county under the schedule prescribed by the department. A county shall pay the costs incurred under a procurement agreement from the:

- (1) family and children's fund; or
- (2) children's psychiatric residential treatment services fund; as appropriate.

(d) If the department pays the costs incurred under a procurement contract from state funds appropriated for the purpose, the department shall present a claim for reimbursement to the appropriate county auditor. The county executive shall review and allow the full amount of the claim in the manner provided in IC 36-2-6."

Page 16, line 10, delete "Sec. 10." and insert "**Sec. 11.**".

Page 18, line 18, reset in roman "of the".

Page 18, line 18, after "service" insert "**county office**".

Page 18, line 18, after "or the" insert "**county office**".

Page 18, line 40, reset in roman "of the county office of family and children".

Page 18, line 41, after "appoint" insert ",".

Page 18, line 41, reset in roman "subject to the approval of the director of the".

Page 18, line 42, after "children," insert "**department,**".

Page 19, delete lines 31 through 42.

Page 20, delete lines 1 through 2.

Page 20, line 6, delete "for the area," and insert ",".

Page 48, between lines 24 and 25, begin a new paragraph and insert:
"SECTION 147. IC 36-2-6-4.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4.5. (a) A county executive may adopt an ordinance allowing money to be disbursed for lawful county purposes under this section.

(b) Notwithstanding IC 5-11-10, with the prior written approval of the board having jurisdiction over the allowance of claims, the county auditor may make claim payments in advance of board allowance for the following kinds of expenses if the county executive has adopted an ordinance under subsection (a):

- (1) Property or services purchased or leased from the United States government, its agencies, or its political subdivisions.
- (2) License or permit fees.
- (3) Insurance premiums.
- (4) Utility payments or utility connection charges.
- (5) General grant programs where advance funding is not

C
O
P
Y



prohibited and the contracting party posts sufficient security to cover the amount advanced.

(6) Grants of state funds authorized by statute.

(7) Maintenance or service agreements.

(8) Leases or rental agreements.

(9) Bond or coupon payments.

(10) Payroll.

(11) State or federal taxes.

(12) Expenses that must be paid because of emergency circumstances.

(13) Expenses described in an ordinance.

(14) Expenses incurred under a procurement contract under IC 31-33-1.5-10.

(c) Each payment of expenses under this section must be supported by a fully itemized invoice or bill and certification by the county auditor.

(d) The county executive or the county board having jurisdiction over the allowance of the claim shall review and allow the claim at its next regular or special meeting following the preapproved payment of the expense.

(e) A payment of expenses under this section must be published in the manner provided under section 3 of this chapter."

Page 48, line 26, after "JULY 1, 2005]:" insert "IC 6-1.1-18.6;".

Page 48, line 26, after "IC 12-17-2-5;" insert "IC 12-17-2-8;".

Page 48, line 27, after "IC 12-17-2-16;" insert "12-19-7-5; IC 12-19-7-8; 12-19-7.5-7; IC 12-19-7.5-10;".

Page 49, line 12, delete "or a county office of family and children".

Page 49, line 15, delete "670" and insert "677".

Page 49, line 16, delete "and".

Page 49, between lines 17 and 18, begin a new line triple block indented and insert:

"(iv) the delivery of child services (as defined in IC 12-19-7-1);

(v) the regulation of residential child care establishments;

(vi) children in need of services;

(vii) children psychiatric residential treatment services (as defined in IC 12-19-7.5-1); and

(viii) family services (as defined in IC 31-9-2-45);".

Page 49, line 27, delete "and".

Page 49, between lines 28 and 29, begin a new line triple block indented and insert:

C
o
p
y



**"(iv) the delivery of child;
(v) residential child care establishment;
(vi) children in need of;
(vii) children psychiatric residential treatment; and
(viii) family;"**.

Page 49, line 37, delete "and".

Page 49, between lines 38 and 39, begin a new line triple block indented and insert:

**"(iv) the delivery of child;
(v) residential child care establishment; and
(vi) children in need of;
(vii) children psychiatric residential treatment; and
(viii) family;"**.

Page 50, line 4, delete "and".

Page 50, between lines 5 and 6, begin a new line double block indented and insert:

**"(F) the delivery of child services;
(G) the regulation of residential child care establishments;
(H) children in need of services;
(I) children psychiatric residential treatment services; and
(J) family services;"**.

Page 50, line 10, delete "and" and insert "or".

Page 50, line 14, delete "or".

Page 50, between lines 15 and 16, begin a new line triple block indented and insert:

**"(iv) the delivery of child;
(v) residential child care establishment;
(vi) children in need of;
(vii) children psychiatric residential treatment; and
(viii) family;"**.

Page 50, line 26, delete "office of the" and insert **"division of family and children"**.

Page 50, line 27, delete "secretary of family and social services".

Page 50, line 31, delete "and".

Page 50, between lines 32 and 33, begin a new line block indented and insert:

**"(6) the delivery of child services;
(7) the regulation of residential child care establishments;
(8) children in need of services;
(9) children psychiatric residential treatment; and
(10) family services;"**.

Page 50, line 35, delete "office of the secretary of family" and insert

**C
O
P
Y**



"division of family and children".

Page 50, line 36, delete "and social services".

Page 50, line 40, delete "and".

Page 50, line 41, delete "services." and insert **"services;**

(6) the delivery of child services;

(7) the regulation of residential child care establishments;

(8) children in need of services;

(9) children psychiatric residential treatment; and

(10) family services."

Page 51, line 4, delete "act." and insert **"act, including the review of the following cites to determine whether changes are necessary:**

(1) IC 12-7-2.

(2) IC 12-13-5.

(3) IC 12-13-6.

(4) IC 12-13-7.

(5) IC 12-13-13.

(6) IC 12-13-15.

(7) IC 12-13-15.1.

(8) IC 12-17-1.

(9) IC 12-17-2.

(10) IC 12-17-3.

(11) IC 12-17-8.

(12) IC 12-17-9.

(13) IC 12-17-10.

(14) IC 12-17-11.

(15) IC 12-17-16.

(16) IC 12-17-4.

(17) IC 12-19-1.

(18) IC 12-19-2.

(19) IC 12-19-5.

(20) IC 12-19-7.

(21) IC 12-19-7.5.

(22) IC 31-19.

(23) IC 31-34-4.

(24) IC 31-34-21.

(25) IC 31-34-24.

(26) IC 31-39-2-13.5.

(27) IC 31-40-1.

(28) Any other statute needing to be changed as required by this act."

Page 51, line 11, delete "children" and insert **"children, except for the powers, duties, and functions transferred to the department of**

**C
o
p
y**



child services established by this act,".

Page 51, line 14, delete "children" and insert "**children, except as changed by this act,**".

Page 51, line 18, delete "children" and insert "**children, except for the property and records transferred by this act to the department of child services,**".

Page 51, line 20, delete "children" and insert "**children, except for an appropriation concerning a power, duty, or function transferred to the department of child services under this act,**".

Page 51, line 22, delete "children" and insert "**children, except for an employee who is transferred to the department of child services under this act,**".

Page 51, line 28, after "July 1, 2005," insert "**except for a rule concerning a power, duty, or function transferred to the department of child services under this act,**".

Page 51, delete lines 34 through 37.

Page 51, line 38, delete "(c)" and insert "**(b)**".

Page 51, between lines 38 and 39, begin a new paragraph and insert: "**SECTION 153. [EFFECTIVE JULY 1, 2005] The amendments to IC 12-19-7 and IC 12-19-7.5 by this act apply only to property taxes first due and payable after December 31, 2005.**"

SECTION 154. [EFFECTIVE UPON PASSAGE] (a) As used in this SECTION, "committee" refers to the select committee on the reorganization of child services established by this SECTION.

(b) There is established the select committee on the reorganization of child services. The committee shall study the organization of child services provided in this state and consider which is the proper agency to administer each program that has an impact on services for children. The duties of the committee include the following:

- (1) Studying and making recommendations concerning the means in which the department of child services and the office of the secretary of family and social services shall cooperate in providing child services.
- (2) Studying and making recommendations concerning the determination of the proper agency:
 - (A) to administer specific child service programs; and
 - (b) to employ the individuals providing child services.
- (3) Studying and making a recommendation concerning the proper organization of the department of child services established by this act to deliver services for children on a statewide basis.

C
o
p
y



- (4) Studying any other matter the committee determines is relevant to the reorganization of child services in the state.
- (5) Studying the efficient provision of administrative functions used by more than one (1) agency providing child services.
- (c) The committee shall consist of the following members:
 - (1) Two (2) legislators appointed by the president pro tempore of the senate. Members appointed under this subdivision may not be members of the same political party.
 - (2) Two (2) legislators appointed by the speaker of the house of representatives. Members appointed under this subdivision may not be members of the same political party.
 - (3) The secretary of family and social services.
 - (4) The director of the department of child services appointed under IC 31-33-1.5-2, as added by this act.
 - (5) Three (3) directors of county offices of family and children appointed as follows:
 - (A) One (1) director appointed by the secretary of family and social services.
 - (B) One (1) director appointed by the director of the department of child services.
 - (C) One (1) director appointed by the governor.
 - (6) One (1) guardian ad litem appointed by the governor.
 - (7) One (1) school superintendent appointed by the governor.
- The president pro tempore of the senate shall appoint a member described in subdivision (1) as chairperson of the committee.
- (d) The committee shall operate under the policies governing study committees adopted by the legislative council.
- (e) The affirmative votes of a majority of the voting members appointed to the committee are required for the committee to take action on any measure, including the final report.
- (f) The final report of the committee must be submitted to the legislative council in electronic format under IC 5-14-6 not later than December 1, 2005.
- (g) This SECTION expires December 31, 2005".

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 529 as printed February 11, 2005.)

KENLEY, Chairperson

Committee Vote: Yeas 6, Nays 3.

SB 529—LS 7896/DI 104+



C
O
P
Y

SENATE MOTION

Madam President: I move that Senate Bill 529 be amended to read as follows:

Page 2, line 34, delete "," and insert **"and the department of local government finance shall certify under section 16 of this chapter"**.

Page 2, line 35, delete "certified by the department of child" and insert **"necessary to pay the following:"**.

Page 2, delete line 36.

Page 2, line 37, after "The" insert **"cost of child services (as defined in IC 12-19-7-1) of the county payable from the"**.

Page 2, line 38, after "The" insert **"cost of children's psychiatric residential treatment services (as defined in IC 12-19-7.5-1) of the county payable from the"**.

Page 2, between lines 39 and 40, begin a new line blocked left and insert:

"A budget, tax rate, or tax levy adopted by a county fiscal body or approved or modified by a county board of tax adjustment that is less than the levy necessary to pay the costs described in subdivision (1) or (2) shall not be treated as a final budget, tax rate, or tax levy under section 11 of this chapter."

Page 3, line 1, after "the" insert **"county fiscal body or the"**

Page 3, line 6, delete "certified" and insert **"recommended"**.

Page 3, line 9, delete "certified" and insert **"recommended"**.

Page 7, delete line 42.

Page 8, delete lines 1 through 16.

Page 10, line 22, delete "require" and insert **"conduct a public hearing to determine whether to recommend to"**.

Page 10, line 33, after "hearing" insert ",".

Page 10, line 34, delete "required under section 2 of this chapter,".

Page 11, line 8, delete "final determination" and insert **"recommendation"**.

Page 11, line 15, delete "final determination" and insert **"recommendation"**.

Page 11, line 16, delete "final determination" and insert **"recommendation"**.

Page 11, line 18, delete "final" and insert **"recommendation,"**.

Page 11, line 19, delete "determination,".

Page 11, line 20, reset in roman "as soon as possible determine whether".

Page 11, line 21, reset in roman "or not to loan the requested amount to the".

C
O
P
Y



Page 11, line 21, delete "vote to" and insert "**department; and**".

Page 11, delete line 22.

Page 11, line 23, after "(b)" insert "**(2)**".

Page 11, line 23, delete "If" and insert "if".

Page 11, line 23, reset in roman "the county fiscal body votes to allow a loan to be made,".

Page 11, line 23, after "made," delete "The" and insert "the".

Page 11, line 24, delete "(2)".

Page 11, reset in roman lines 26 through 27.

Page 11, line 28, before "county director" reset in roman "the".

Page 11, line 28, after "director" insert "**department**".

Page 11, line 28, reset in roman "of the county fiscal body's decision.".

Page 12, line 3, reset in roman "receives permission from the county fiscal body to borrow".

Page 12, line 4, reset in roman "money".

Page 12, line 4, delete "conducts a hearing and issues a resolution to borrow".

Page 12, line 5, delete "money".

Page 12, line 17, delete "money was borrowed under IC 12-1-11.5 (before its" and insert "**the department:**".

Page 12, delete line 18.

Page 12, line 21, reset in roman "receives permission from the county fiscal body".

Page 12, line 21, delete "conducts a".

Page 12, line 22, delete "hearing and issues a resolution".

Page 13, line 27, delete "that the department".

Page 13, line 28, delete "certifies is".

Page 14, line 28, delete "certified by the department" and insert "**necessary to pay the costs of the child services of the county**".

Page 14, line 28, delete "ensuing" and insert "**next fiscal**".

Page 14, line 31, delete "." and insert "**and comply with IC 6-1.1-17-3.**".

Page 15, line 9, delete "shall establish" and insert "**compute**".

Page 15, line 13, after "chapter" insert ".".

Page 15, line 26, delete "after considering the".

Page 15, delete lines 27 through 28.

Page 15, line 30, strike "finally".

Page 15, line 31, strike "approved".

Page 15, line 33, strike "and".

Page 15, line 34, delete "." and insert "; **and**
(3) filed with the department of local government finance.".

C
o
p
y



Page 15, delete lines 35 through 42, begin a new paragraph and insert:

"SECTION 33. IC 12-19-7-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 11. In September of each year, at the time provided by law, the county fiscal body shall do the following:

(1) Make the appropriations out of the family and children's fund that are:

(A) based on the budget as submitted; and

(B) necessary to ~~maintain~~ pay the child services of the county for the next fiscal year. ~~subject to the maximum levy set forth in IC 6-1.1-18.6.~~

(2) Levy a tax in an amount necessary to produce the appropriated money."

Page 16, delete lines 1 through 5.

Page 17, between lines 31 and 32, begin a new line block indented and insert:

"(3) File the estimate and statement with the department of local government finance."

Page 18, line 6, delete "final determination" and insert "recommendation".

Page 18, between lines 13 and 14, begin a new paragraph and insert:

"(c) If the county executive fails to borrow sufficient money to carry out the purposes under section 15 of this chapter either under this chapter or IC 12-19-5, the department may appeal to the department of local government finance for a determination. A copy of the appeal must be filed with the county fiscal body. The department of local government finance shall immediately conduct a hearing in the county on an appeal filed under this subsection. If the department determines that insufficient money is available to carry out the purposes under section 15 of this chapter, the department of local government finance shall issue an appropriate order. The order may require the county to reduce its general fund budget and transfer sufficient money to the fund or require the county to borrow money for the fund to carry out the purposes under section 15 of this chapter."

Page 19, line 19, delete "that the department".

Page 19, line 20, delete "certifies is".

Page 21, line 18, delete "certified by the" and insert **"necessary to pay the costs of children's psychiatric residential treatment services of the county"**.

Page 21, line 19, delete "department".

C
o
p
y



Page 21, line 19, delete "ensuing" and insert "**next fiscal**".

Page 22, line 4, delete "shall establish" and insert "**compute**".

Page 22, line 25, strike "finally approved".

Page 22, line 25, reset in roman "recommended".

Page 22, line 27, strike "and".

Page 22, line 28, delete "." and insert "; **and**

(3) filed with the department of local government finance.

SECTION 45. IC 12-19-7.5-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 13. In September of each year, at the time provided by law, the county fiscal body shall do the following:

(1) Make the appropriations out of the children's psychiatric residential treatment services fund that are:

(A) based on the budget as submitted; and

(B) necessary to **maintain pay** the children's psychiatric residential treatment services of the county for the next fiscal year. ~~subject to the maximum levy set forth in IC 6-1.1-18.6:~~

(2) Levy a tax in an amount necessary to produce the appropriated money."

Page 23, between lines 2 and 3, begin a new line block indented and insert:

"(3) File the estimate and statement with the department of local government finance."

Page 23, line 19, delete "final determination" and insert "**recommendation**".

Page 23, between lines 26 and 27, begin a new paragraph and insert:

"(c) If the county executive fails to borrow sufficient money to carry out the purposes under section 14 of this chapter either under this chapter or IC 12-19-5, the department may appeal to the department of local government finance for a determination. A copy of the appeal must be filed with the county fiscal body. The department of local government finance shall immediately conduct a hearing in the county on an appeal filed under this subsection. If the department determines that insufficient money is available to carry out the purposes under section 14 of this chapter, the department of local government finance shall issue an appropriate order. The order may require the county to reduce its general fund budget and transfer sufficient money to the fund or require the county to borrow money for the fund to carry out the purposes under section 14 of this chapter."

C
o
p
y



Page 70, line 37, after "IC 6-1.1-18.6;" insert "IC 12-7-2-31.5;
IC 12-7-2-31.6; IC 12-13-14.5;".

Renumber all SECTIONS consecutively.

(Reference is to SB 529 as printed February 25, 2005.)

LAWSON C

**C
o
p
y**

